S. HRG. 100-1073, Pt. 1

DEPARTMENT OF JUSTICE AUTHORIZATION FOR FISCAL YEAR 1989 (DEA AND FBI)

HEARINGS

BEFORE THE

COMMITTEE ON THE JUDICIARY UNITED STATES SENATE

ONE HUNDREDTH CONGRESS

SECOND SESSION

ON

THE DEPARTMENT OF JUSTICE AUTHORIZATION ACT FOR FISCAL YEAR 1989

MAY 12 AND 17, 1988

Serial No. J-100-63

Part 1

Printed for the use of the Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE

21-469 WASHINGTON : 1989

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

J521-61

21-469 O - 89 - 1

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DRUG ENFORCEMENT ADMINISTRATION AUTHORIZATION REQUEST FOR FISCAL YEAR 1989

THURSDAY, MAY 12, 1988

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The committee met, pursuant to notice, at 2:08 p.m., in room SD-226, Dirksen Senate Office Building, Hon. Dennis DeConcini (acting chairman) presiding.

Also present: Senators Thurmond, Grassley, Specter, and Humphrey.

OPENING STATEMENT OF SENATOR DENNIS DeCONCINI

Senator DECONCINI. The Judiciary Committee will come to order.

Thank you, Mr. Lawn, for being with us. We welcome you once more to the Judiciary Committee. Today, we are conducting an authorization hearing relating to the Drug Enforcement Administration and its ongoing battle against drugs. This hearing will be the first of the oversight hearings of the Justice Department. I think symbolic significance might be drawn by having this oversight hearing as the number one hearing.

The number one threat to society, in my judgment, is drugs. If you pick up any paper today, or information, that is what you read about. Drugs are killing Americans by the thousands. It is becoming a real plague on our society.

The National Institute of Justice released a study conducted during the first 3 months of this year which confirmed what I have suspected a long time, that half of all serious crimes in America are related to drugs. In New York City, eight of every ten people arrested for serious crimes tested positive for drugs. Even in Phoenix, AZ, seven out of ten arrested tested positive.

I have laid out my position on drugs and what we should do for some time, and believe that for time purposes, I will just insert the balance of my statement in the record.

Let me say, Mr. Lawn, I appreciate the effort that you have put forth in the Drug Enforcement Administration, and certainly the efforts of all the dedicated people that you have working for you around the world and right here in our own country.

We have some disagreements on emphasis in Mexico and other places, but I know that you are committed, as are your agents. We appreciate that and want to work with you.

I have a number of questions I want to ask you. Some of them may necessitate closed hearings as they relate to Panama and other sensitive areas of the drug enforcement battle on the international level.

At this time, I will submit the balance of my statement for the record. It goes into the drug bill which was introduced by 74 Senators, by me, Senators D'Amato, Domenici, and 71 other Senators.

[The statement of Senator DeConcini follows:]

STATEMENT OF SENATOR DECONCINI
D.E.A. AUTHORIZATION HEARING
MAY 12, 1988

Good afternoon, Mr. Lawn. Welcome once more to the Judiciary Committee. Today we are conducting an authorization hearing relating to the Drug Enforcement Administration and its ongoing battle against drugs. This will be the first of the oversight hearings of the Justice Department, and I think symbolic significance might be drawn from having this oversight hearing first.

The number one threat to our society is drugs. Pick up any daily paper in any major metropolitan area and you can't help but see that drugs are killing our youth.

Not long ago, the National Institute of Justice released a study conducted during the first three months of this year. The report confirmed what we suspected all along -- half of all serious crimes in America are related to drugs. In New York City, eight out of every ten people arrested for serious crimes tested positive for drugs. In Los Angeles and Phoenix, nearly seven out of every ten arrested tested positive. Statistics like these refute the declaration President Reagan made just three months ago. The war on drugs, he said, "is an untold American success story. " Let me ask you, is it a success that U.S. consumption of crack and cocaine has more than doubled in the last six years? Is it a success that last year in Los Angeles, there were more drug related murders than the total number of homicides in all of Europe? Who can say this is acceptable?

There's a war all right, and the drug merchants are winning it. We're fighting an enemy that is incredibly well organized and incredibly well-equipped. Colombia's Medellin Cartel -- which supplies 80 percent of the world's cocaine -- is an international syndicate with private armies and a foreign policy of fear and corruption. Mexican Federal Police recently inspected a warehouse the Columbians used in Sonora and found 100 AK-47 assault rifles, 65,000 rounds of ammunition, and six infrared night scopes.

Drug traffickers and dealers on the streets of America are better armed than law enforcement officers. And their weapons of choice? They are 9MM semi-automatic pistols and Uzi machine guns. These individuals do not hesitate to fire on police. The recent murders of two DEA agents in Los Angeles and two police officers in New York City are proof of that.

Make no mistake, we've got a war on our hands. To win this war, to have any chance at all of turning the corner, this nation

must stand firm in our commitment. We must mobilize all our resources. We must pursue our goals without hesitation.

In an effort to address the needs of the law enforcement community -- to renew our commitment -- I have introduced, along with Senators D'Amato and Domenici, two major legislative initiatives in the Senate in the past five months.

The first bill, the Comprehensive Federal Law Enforcement Improvements Act of 1987, would better enable the nation's federal law enforcement officers to accomplish their critically important missions.

This bill has been sent to the Government Affairs Committee. I am not a member of that Committee, but I have personally asked the Chairman of the Committee, Senator Glenn, for a hearing on S. 1975. I am optimistic that we will get a hearing on the bill this summer.

The second bill we have introduced is the Anti-Drug Abuse Act of 1988. This is a comprehensive bill patterned after the 1986 drug bill. It addresses the need for increased assets and personnel for federal, state, and local law enforcement agencies. It increases funding for drug education, drug treatment and rehabilitation, interdiction and eradication. The response in the Senate has been overwhelming. Already two-thirds of the Senate -- 70 Senators -- have signed on as cosponsors. That in itself tells me there is a growing concern in Congress that we are losing the war on drugs and that we need to respond.

S. 2205 has been referred to the Judiciary Committee. I feel confident that we will see action on this bill by the full Senate before the July 4th recess.

I have had a chance to review DEA's 1989 budget request and I am heartened by the overall plan of attack reflected in the request. The four major request areas, 1) modernizing of the airwing; 2) completing work at the El Paso Intelligence Center (EPIC); 3) improving the Asset Removal Teams; and 4) strengthening administrative infrastructure should contribute to the continued enhancement of DEA's enforcement abilities.

You have painted a very rosy picture. Yet, I have some concerns with the activity of the DEA in Mexico, Panama and other areas of operation. I am very interested in discussing the recent developments of the Noriega situation with you. I also want some answers to questions surrounding the murder of Enrique Camarena. Reports have been filtering in to me that indicate that all may not be as well as it seems.

I look forward to hearing your testimony and responses to the questions my colleagues and I will put to you this afternoon.

Senator DECONCINI. I will yield to the Senator from South Carolina.

Senator THURMOND. Thank you, Mr. Chairman.

Today, the Judiciary Committee begins a series of hearings on the Department of Justice authorization request for 1989. This afternoon, the committee is focusing on the Drug Enforcement Administration, DEA.

Mr. Lawn is certainly not a stranger to this committee. We are glad to have you back.

Mr. LAWN. Thank you, Senator.

Senator THURMOND. As the Administrator of DEA, you are faced with a difficult task and I look forward to hearing your insights today as to how your agency plans to continue to attack the drug problem.

Over the last several years, much attention has been focused on the drug problem. In fact, Congress passed major legislation in 1984 and 1986 which provides stiffer penalties for those convicted of drug offenses, provides money to assist State and local law enforcement, provides money for education on the harmful effects of drugs, and provides for the seizures of the profits of illegal activity. All of these measures have been steps in the right direction.

Most people would agree that at this time the so-called war on drugs has not been won. However, we should not be quick to admit defeat. Rather, we should continue to find new ways to attack this problem.

With regard to the DEA, in your written testimony, Mr. Lawn, you indicated that since 1981 arrests, drug seizures, and asset seizures and forfeitures have increased dramatically. This is a good sign and I am sure that you will discuss this in detail today.

Further, this authorization request, which includes an increase in funds and positions to enhance your current drug operations, shows a continuing commitment to fighting the drug problem.

However, we must not forget the sacrifices made by the men and women in your organization. The recent murders of the two DEA agents in California remind us of the high price that is too often paid by those involved in that line of work. I appreciate the efforts of these men and women who are given assignments which often require them to be located in dangerous areas many miles away from their families for long periods of time.

In closing, the protection of our country, and especially our young people, from drugs is an important priority. I commend you for your efforts in this area.

Mr. LAWN. Thank you, Senator.

Senator DECONCINI. Thank you, Senator Thurmond.

Mr. Lawn, we are commencing a vote right now and I am just going to ask you if you can wait. I will try to get back within 10 minutes. I will go over and cast my vote and be right back. Thank you very much.

Mr. LAWN. Yes, sir.

[Recess.]

Senator DECONCINI. The committee will come to order.

The Senator from Iowa.

Senator GRASSLEY. Mr. Chairman, I am not going to make an opening statement, so I will wait until the questioning time.

Senator DECONCINI. The Senator from New Hampshire.
Senator GRASSLEY. Do you have an opening statement?
Senator HUMPHREY. No, thank you.
Senator DECONCINI. Mr. Lawn, finally, please proceed with summarizing your statement.

STATEMENT OF JOHN C. LAWN, ADMINISTRATOR, DRUG ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE

Mr. LAWN. Thank you, Mr. Chairman.

I am pleased to appear before this committee today to discuss the Drug Enforcement Administration's budget for 1989.

Investigative efforts, as the Chairman indicated, by DEA have resulted in dramatic increases in arrests, drug seizures, and asset seizures and forfeitures. DEA arrests of major violators have increased by 195 percent since 1981. Cocaine removals have increased by over 1,800 percent, and heroin removals increased by more than 70 percent during this same period.

Clandestine laboratory seizures have increased from 184 in 1981 to 682 in 1987, a 271-percent increase. Finally, DEA's heightened focus on financial investigations has resulted in asset seizures in 1987 valued in excess of $500 million, an amount larger than our entire appropriation for 1988.

In 1989, DEA is requesting 5,887 positions, of which 2,935 are special agent positions, with 5,657 work years and $538.1 million, in order to carry out our drug enforcement responsibilities. This represents a net increase of 177 positions, including 60 special agent positions, 78 work years, and $44 million over the 1988 appropriation enacted.

DEA's enhancement request falls into four major funding initiatives derived from our 1989 strategic plan. The first is to modernize DEA's airwing and technical support program. DEA requests 47 positions and $19.1 million to enhance DEA's air program to a level that will meet both foreign and domestic commitments during 1989, and to increase radio support throughout the 19 domestic divisions.

As part of this initiative, DEA is requesting funds for two fully equipped turbo aircraft for foreign operations, nine single-engine replacement aircraft, and two twin-engine helicopters for DEA's domestic fleet, 20 special agent pilots, two support positions, 25 radio technicians for domestic field offices, and enhanced computer capabilities for the airwing in Addison, TX.

The second initiative is to complete the conversion of DEA's information systems and to enhance the El Paso Intelligence Center. DEA requests 12 positions and $1.7 million to standardize all of the DEA's information systems, and 64 positions, including 24 special agents and 19 intelligence analysts, and $7.3 million to expand our El Paso Intelligence Center into a tactical, all-source intelligence center, as directed by the National Drug Policy Board.

This budget enhancement will enable EPIC to provide more actionable, tactical intelligence to law enforcement agencies throughout the country.

As you will recall, the Anti-Drug Abuse Act of 1986 authorized $7.5 million to move the El Paso Intelligence Center from its current location in El Paso to Fort Bliss, TX.

I am pleased to report to you that the construction of EPIC's new building is proceeding on schedule and that it should be ready for occupancy during the fall of 1988. I am also pleased to inform you that the new building will be named the Camarena Building, in honor of Special Agent Enrique Camarena, who was killed in the line of duty in 1985.

The third initiative is to immobilize major drug traffickers and their trafficking organizations by concentrating resources on asset removal teams and financial intelligence.

DEA requests 44 positions and $1.7 million to augment asset removal teams in DEA field divisions, to provide legal support to DEA asset removal activities, to enhance financial intelligence operations, and to improve DEA's seizure-forfeit ratio.

This initiative contains 25 positions, of which 16 are special agents, to create asset removal teams in domestic field divisions, five intelligence analysts to support DEA's financial intelligence program, and 13 positions to provide legal and administrative support for DEA's asset removal program.

Asset forfeiture provisions, expanded and improved in both the Comprehensive Crime Control Act of 1984 and the Anti-Drug Abuse Act of 1986, are among our greatest law enforcement tools. Asset forfeiture allows the Federal Government to take the ill-gotten gains of drug traffickers and drug trafficking networks which destroys their economic power structures and, in turn, use those resources to fund drug law enforcement activities.

The fourth initiative is to strengthen field and headquarters administrative infrastructure by enhancing support staff and equipment in technical areas. DEA requests 31 positions and $4.2 million to provide additional staffing strength to administrative areas where workload has increased in response to the requirements of DEA's enhanced investigative capabilities.

Under the guidance of the National Drug Policy Board, we have expanded our interagency cooperative efforts at the policy and operational levels. DEA actively participates in the Organized Crime Drug Enforcement Task Force program and Operation Alliance along the southwest border.

We hold the leadership role in the DEA State and Local Task Force program and the Domestic Cannabis Eradication/Suppression program.

I have said repeatedly that education and prevention play a primary role in the anti-drug effort. I recently expanded DEA's role in this area by placing demand reduction coordinators in each of DEA's 19 field divisions.

These coordinators ensure that the anti-drug message reaches target audiences in every corner of the Nation. We continue to stress the health-related consequences of drug use for the individual user and the risk that drug abuse poses to all of society. We see this not only in the escalation of street crime and homicide in our country, but also in other drug-source and drug-consuming nations.

With the requested increases in 1989, the strength of DEA's investigative work force will have grown from 1,940 special agents in

1981 to 2,935 special agents in 1989, a 51-percent increase. Direct appropriations will have increased from $216.2 million in 1981 to $538.1 million in 1989, a 149-percent increase.

We are making progress in the war on drugs. Our agents, trained along with those of the FBI at the FBI academy in Quantico, VA, are a highly motivated and skilled cadre of dedicated professionals. They risk their lives on a daily basis in the fight against drug trafficking and abuse.

The recent tragic deaths of DEA special agents Paul Seema and George Montoya in Pasadena attest to the sacrifices made by these brave men and women.

DEA's 1989 authorization request represents approximately 14 percent of the Federal Government's drug-related expenditures. With this 14 percent, DEA will contribute significantly to the Nation's fight against drug trafficking and drug abuse.

Experience demonstrates that a small investment in DEA resources yields substantial returns. From 1981 to 1987, domestic special agents on board increased by 34 percent, while arrests increased by 64 percent. Convictions rose 122 percent, and drug removals increased substantially.

Given this rate of return on past DEA investments, I strongly believe that DEA's request is money well spent.

Thank you very much, Mr. Chairman.

Senator DECONCINI. Thank you, Mr. Lawn. Mr. Lawn, I want to address several areas here. Let me first start with Mexico and the Camarena incident.

Mr. Lawn, in written response to questions submitted last year, you offered that in spite of Mexico's efforts in the area of narcotics enforcement, quote, "Mexico's use as a transshipment point for cocaine smuggling to the United States continues unabated."

You further provide that preliminary figures for 1986—this was in last year's testimony—indicated Mexico was the single largest source country for both heroin and marijuana available to the United States.

Now, you further have gone on record as stating that, quote, "Unfortunately, the government of Mexico's anti-drug campaign was not successful in effecting the arrest and incarceration of known major drug traffickers in Mexico," unquote.

At the same time, you mention that investigative reports from DEA offices in Mexico and along the U.S. southwest border continue to document drug trafficking operations of major drug dealers in Mexico.

Since you last testified, has the situation changed in Mexico, and can you explain in what way?

Mr. LAWN. Yes, sir, the situation has changed. While cocaine continues to transit through Mexico and heroin and marijuana continue to enter the United States predominantly through the southwest border, the government of Mexico, the Mexican army, the Mexican Federal Judicial Police, have taken some strong offensive action, have effected arrests, have been involved in several shootouts in which law enforcement personnel, as well as individuals involved in criminal activity, have been injured or have been killed.

As recently as yesterday, I met personally with the U.S. Ambassador to Mexico, who reinforced for me the fact that the govern-

ment of Mexico is actively involved in an enforcement program and is having success against major traffickers.

Senator DECONCINI. Can you tell us what they are actively doing? What is Mexico actively doing?

Mr. LAWN. Certainly, I could provide for the record the names of the major traffickers who have been arrested.

Senator DECONCINI. Would you do that?

Mr. LAWN. I would be delighted to do that, yes, sir.

[The following list of names was subsequently supplied for the record:]

The following major Mexican violators have been arrested within Mexico since August 1987:

1. Jaime HERRERA-Nevarez -- August 1987
   Arrested in Guadalajara, Jalisco

2. Jaime HERRERA-Herrera (father) -- August 1987
   Arrested in Torreon, Coahuila

3. Ramiro MIRELES-Felix -- August 1987
   Monterrey, Nuevo Leon

4. Miguel BATIZ-Salcido and
5. Ignacio BOJORQUEZ-Inzunza -- December 1987
   Guadalajara, Jalisco (Comment: The latter has since escaped from prison.)

6. Miguel QUINTERO-Paez (with four other members of the Quintero family) -- March 1988
   State of Sinaloa

7. Filemon MEDINA-Medina -- April 1988
   Altata, Sinaloa

8. Juan LIZARRAGA-Lizarraga -- April 1988
   Guadalajara, Jalisco

9. Juan Jose QUINTERO-Payan -- May 1988
   Guadalajara, Jalisco

10. Jose PINEDA-Trinidad -- June 1988
    Guadalajara, Jalisco

11. Juan FRANK-Garcia -- July 1988
    Monterrey, Nuevo Leon (Deceased)

12. Hugo ETIENNE-Marin — September 1988
    Mexico City

Senator DECONCINI. And you indicated a year ago that the problem continues to be unabated. You now think it is abated in Mexico?

Mr. LAWN. No, not at all. The problem is still a severe problem and Mexico is facing the additional problem not only of the cultivation of opium and marijuana, but the additional problem of Mexico being used as a transshipment point for cocaine.

Senator DECONCINI. And what is being done to stop the transshipment of cocaine? What is Mexico doing positively, in your opinion, or do you have any specifics?

Mr. LAWN. Yes, sir. Again, I can for the record furnish the names of the particular case, but there was a shoot-out recently involving individuals who were involved in a shipment of cocaine from Colombia through Mexico in which Mexican Federal Judicial Police were severely wounded.

Senator DECONCINI. Do you consider the 3-year-period lapse in final adjudication and sentencing in the Camarena case of Quintero and Vonsecca a positive step on Mexico's part to get tough on drugs or to abate the problem that you referred to last year? Are you satisfied with that process?

Mr. LAWN. Am I satisfied? Mr. Chairman, I will not be satisfied until everything surrounding the murder of Kiki Camarena is resolved, but on the other——

Senator DECONCINI. Why has it taken so long, in your opinion?

Mr. LAWN. It is taking very long because the judicial process in Mexico is substantially different from the judicial process in the United States. This spring, I met with a member of the supreme court of Mexico who in some detail explained for us the difference between our system and their system.

In the case of Mr. Caro Quintero, Mr. Caro Quintero now is looking at the charges which have been filed against him. I believe the charges number in excess of 15,000 pages. According to the Mexican system, he is given a day for every 50 pages of charges brought against him.

The Mexican government is anticipating that the final adjudication of the murder of Kiki Camarena will not be until 1989.

Senator DECONCINI. Do you think that is a reasonable response from Mexico, to file 15,000 pages when the evidence, from what I believe you have testified before us, is quite clear as to at least charges against Mr. Quintero? Does that occur to you to be a little bit extravagant and time-consuming to file 15,000 pages?

Mr. LAWN. Certainly extravagant in terms of the U.S. system of a speedy trial. But, again, not being a scholar in the Mexican system of justice, I can only be satisfied that the information they have provided me is accurate information.

Senator DECONCINI. Well, the information surrounding this murder case concerns me immensely. The delegated authority from Mexico said he was brought to Guadalajara within 48 hours after the ultimate apprehension of Mr. Quintero. Subsequently came his release for alleged bribery, then the arrest of the person who allegedly took the bribe, and now Mr. Quintero is again in custody.

Are you familiar with the arrangements and the custody that he is in?

Mr. LAWN. I am familiar with the fact that he is in the Penitentiary El Norde in Mexico City. Yes, I most certainly am familiar with that.

Senator DECONCINI. And are you familiar with his access to telephones or visitors or even his ability to leave those facilities on occasion?

Mr. LAWN. I had received information that the conditions under which he was incarcerated were different from conditions involving other prisoners. I brought to the attention of the deputy attorney general of Mexico during a recent visit and I was told that that would change.

Senator DECONCINI. Has it changed?

Mr. LAWN. I have no idea, sir.

Senator DECONCINI. The conditions that were brought to your attention and that you brought to the attention of the Mexican government, did that include the ability to have free access to telephone and communications systems?

Mr. LAWN. I did bring that to their attention, yes, sir.

Senator DECONCINI. And you do not know if that has been changed?

Mr. LAWN. I was told by the deputy attorney general of Mexico that it had changed.

Senator DECONCINI. And how long ago was that?

Mr. LAWN. Probably several months ago.

Senator DECONCINI. And that is Mr. Padilla?

Mr. LAWN. That is Mr. Ortega Padilla, yes, sir.

Senator DECONCINI. And there is no confirmation of that other than what Mr. Padilla told you?

Mr. LAWN. That is right, yes, sir.

Senator DECONCINI. And did you also convey to Mr. Padilla or the attorney general information about any evidence or rumors that Mr. Quintero had left the penitentiary on a number of occasions?

Mr. LAWN. No, sir. I did not have that information.

Senator DECONCINI. A few days before Mr. Camarena was brutally murdered, there were a couple of Americans, John Walker and Alberto——

Mr. LAWN. Ratelett.

Senator DECONCINI. Ratelett.

Mr. LAWN. Yes, sir.

Senator DECONCINI. Are you familiar with those cases?

Mr. LAWN. Yes, sir, I am, indeed.

Senator DECONCINI. And were they Americans?

Mr. LAWN. Yes, sir, they were Americans.

Senator DECONCINI. And were they connected with the DEA or any American governmental agencies, to your knowledge?

Mr. LAWN. They certainly were not connected to DEA, no, sir.

Senator DECONCINI. They were not law enforcement as far as you know?

Mr. LAWN. No, sir. I believe one of those citizens was an author writing a book.

Senator DECONCINI. Is it accurate that they went to a restaurant or establishment in which Mr. Quintero either had an interest or was a silent partner of some sort?

Mr. LAWN. The information, as I recall, from 1985 was that Mr. Quintero may have been at the restaurant when they arrived at the restaurant.

Senator DECONCINI. And were they apprehended at the restaurant or kidnapped at the restaurant?

Mr. LAWN. I believe they were killed at the restaurant, sir.

Senator DECONCINI. They were killed at the restaurant?

Mr. LAWN. Yes, sir.

Senator DECONCINI. And were their murders similar to that of Mr. Camarena as far as the condition of their bodies, do you know?

Mr. LAWN. I have no information that Ratelett and Walker were tortured, no, sir.

Senator DECONCINI. Has the DEA done any investigation on the Walker and Ratelett homicides?

Mr. LAWN. No, sir.

Senator DECONCINI. No?

Mr. LAWN. No, sir, but Caro Quintero has been charged with those murders as well.

Senator DECONCINI. He is also charged with those murders?

Mr. LAWN. Yes, sir.

Senator DECONCINI. Do you know how many pages were lodged on these two gentlemen's murders?

Mr. LAWN. No. I am sorry I do not, sir.

Senator DECONCINI. Can you find that out for us? Would it be a big problem to find that out?

Mr. LAWN. Well, I could certainly ask.

Senator DECONCINI. I guess I could ask our Attorney General or Justice Department, but you are what I have got here.

Mr. LAWN. Sure.

Senator DECONCINI. If you would let me know, I would like to know if 15,000 pages were filed for those two Americans as well.

It is quite evident to me, Mr. Lawn, that drug operations controlled by Felix Gallardo and Caro Quintero were massive in scale. Would you agree with that statement?

Mr. LAWN. Yes, sir, I would.

Senator DECONCINI. And I have been told that in 1 month $30 million worth of marijuana would be handled by these forces. Is that a figure that you would substantiate or disagree with?

Mr. LAWN. No, sir, I could not do that at this point without reviewing the background information we have on the organization.

Senator DECONCINI. Well, would you give an estimate of what you think it is, on a monthly basis, for Felix Gallardo and Quintero?

Mr. LAWN. No, sir. I would not feel comfortable doing that because I did not review the Caro Quintero organization prior to coming here and my information——

Senator DECONCINI. Well, would you say that it is more than $1 million a month?

Mr. LAWN. Sir, I would not even get into a monetary figure. I can say that Caro Quintero controlled a substantial organization in Mexico, based upon the fact that we have seized substantial amounts of his assets here in the United States.

Senator DECONCINI. You agree that it is on a massive scale?

Mr. LAWN. Yes, sir.

Senator DECONCINI. But you do not want to set any figure on how massive?

Mr. LAWN. No, sir.

Senator DECONCINI. Is that right?

Mr. LAWN. That is right.

Senator DECONCINI. Will you give us an estimate after you go back and review this?

Mr. LAWN. Yes, sir. I can give you the best estimate that we have based upon our ongoing investigation.

Senator DECONCINI. You believe his operations were in marijuana as well as cocaine and other contraband.

If it is massive and if I am correct that it is in the neighborhood of $30 million, I would like to know whether or not you think that has been abated at all.

Mr. LAWN. I believe that we have had a substantial impact on the organization based upon ongoing investigations here in the United States. We have a special operation ongoing against the organization and the results have been substantial.

Senator DECONCINI. In 1986, the Anti-Drug Abuse Act specifically stated that if drug-producing and transshipment countries, which would include Mexico, have not, quote, "cooperated fully," unquote, with U.S. efforts against illegal narcotics, a country can be decertified and face U.S. sanctions.

It seems quite clear that sanctions would be imposed against Mexico unless improvements were made by Mexico from 1986. In February 1987, you testified that Mexico had failed to make those corrective improvements.

Now, Mr. Lawn, today you have given testimony that Mexico has been unsuccessful in its effort to combat trafficking problems. In light of the wording of the 1986 legislation, do you feel comfortable with the change of position from 1987 that they are doing quite a bit in the area now?

Mr. LAWN. Mr. Chairman, I said that I recognize that improvements have been made in their efforts. Quite a bit—that may be hyperbole. I think they are trying to address the issue and——.

Senator DECONCINI. Well, on a scale of one to ten, where would you place it in 1987, where you said it had not been abated? Would you place it at one, two, or three?

Mr. LAWN. Well, certainly, the problem has not been abated in 1988, but I certainly encourage the efforts that I see in Mexico.

Senator DECONCINI. I encourage any efforts in Mexico, too, Mr. Lawn, but where would you rate them in 1987 on a scale of one to ten?

Mr. LAWN. Well, again, that is very difficult to do. Again, I would have to have the figures in front of me, what they seized, what they did not seize. I would say that I have seen improvements in 1988 over 1987.

Senator DECONCINI. Are you familiar with the CIA reports regarding the increase of heroin or poppy being grown in Mexico in 1987 over 1986?

Mr. LAWN. Yes, sir, I certainly have.

Senator DECONCINI. Would you consider that a massive increase or a significant increase?

Mr. LAWN. I consider it an increase. Again, I do not remember the exact figures. Had I thought that we would be discussing Mexico, I would certainly have done my homework on Mexico.

Senator DECONCINI. Well, Mr. Lawn, I am going to ask that we have a hearing on Mexico, then, so we can disclose what is not classified information. My information indicates that it is a significant increase over last year and, in fact, may be extremely high in comparison to any other year.

I would like very much if you would brief yourself and have your staff available so we could deal with Mexico. There are many things that are classified, as you know and I know, and what I am interested in laying out in the record are those problems that need to be addressed from Mexico's point of view, as well as from the United States' point of view, and what, if anything, the United States can do to participate.

Mr. Lawn, do you have access and do you use the information provided by the Central Intelligence Agency?

Mr. LAWN. Yes, sir, we certainly have access to the information and we certainly use that information in our international enforcement efforts.

Senator DECONCINI. And when was the last time you were briefed by the CIA with their technical and high-tech information they gather from all their sources?

Mr. LAWN. I cannot recall when I was personally briefed. I read a briefing book within the past week.

Senator DECONCINI. Would you welcome a briefing from the CIA? Do you have time to take such a briefing?

Mr. LAWN. Certainly, if we are going to be discussing Mexico at a forthcoming hearing, I will ask Judge Webster to set up a personal briefing for me.

Senator DECONCINI. I have had such briefings and it is an earth-shaking, I would say almost revelation of the information that that agency has, and they say you do have it. I do not want to leave the record with any misinformation here, but they are not sure that it has been digested by everybody.

Of course, I would like to be satisfied from oversight that you do have it. You may not agree with it or you may have your own sources, but I am very concerned about that information being unavailable to people in our Government who have to make decisions as they deal with Mexico.

I have other questions particularly on Panama, but I will yield to—I think the Senator from Iowa was here first.

Senator GRASSLEY. Thank you, Mr. Chairman.

You have highlighted for us a lot of statistics that demonstrate the increased success rate of your agency, more drug offenders caught and prosecuted, more drug labs seized, and more asset seizures, et cetera, et cetera.

Now, I do not doubt that those statistics are accurate, so I am not here to quibble with whether or not you are giving us accurate information or not. And to the extent to which that has been improved, I commend you. But I cannot help but wonder whether or not we really are, in fact, ahead of the game.

I guess my perception is that we are definitely not ahead of the game. We are not ahead of the game, and I am not talking just

about government either, you know. Society as a whole, I think, is losing the war on drugs.

So I guess it seems to me that we are continuing to have increased drug use and trafficking is getting larger instead of smaller, despite all of our work. Really, when you get right down to it in the most candid way you can, tell me what advantages we are achieving by this continued effort that you are talking about that your agency is putting forth, if we are not deterring or stopping people from getting into drug trafficking or stopping drug usage.

Mr. LAWN. Yes, sir.

Senator GRASSLEY. If we are not candid with ourselves, you know, I think we are going to leave a false impression of a war being won.

Mr. LAWN. Senator, I hope I did not give you the false impression of winning the war. I certainly would not say to you or say to anyone that we are winning the war. I am saying that progress is being made.

We have finally recovered from the inertia of the 1970's. With increasing enhancements to our personnel from 1981, it was not until December 1984 that we reached the same staffing level that we enjoyed in 1973.

We do have a strategy; the strategy is working. We are having an effect. Unfortunately, with the problem of cocaine, we see a change in the cocaine user from the 1970's, from the early 1980's, and this is the reason we are seeing the increased violence in our cities.

But I definitely believe that we are making progress. We are making progress not only on the supply side. I think we are making progress on the demand side. Our citizens are finally recognizing that this is not alone a law enforcement problem; that this is a societal problem and that education and prevention are critical after law enforcement.

Senator GRASSLEY. Well, I think that brings me to another question. If it is not just your agency's problem, and I agree that it is not, where are we within this administration in thinking in terms of greater use of the military in this war against drugs? And if the administration is going to have a drug policy that includes increased use of the military, what role in that policy would you be playing in advising the President?

Mr. LAWN. Well, first, on the use of the military, since the change in posse comitatus, we have been using the military. We have been using them, I think, effectively in a logistical support capacity.

I personally do not support the military being used in a law enforcement role because they are not trained in a law enforcement role. I believe that the logistical support we have received has been outstanding.

General Olmstead testified at another hearing that of the requests that the military had been asked for—over 5,000 requests for equipment, for training, for support—the U.S. military has responded positively in more than 96 percent of those cases.

We, for example, have an initiative in South America which required that our agents receive jungle warfare training. They are being trained by the U.S. military. The training that is being done

to forces within countries in South America is training being done by the military.

We use military radar, we use military aircraft. The National Guard is used on the eradication program. Military support has been very good.

Senator GRASSLEY. Are you asking enough help, then? Maybe if they are responding 96 percent of the time, which is very positive, I would say, maybe we are not making enough requests of them.

Mr. LAWN. Well, sir, our requests are increasing and I can assure you that my requests to the military are going to increase substantially even this year.

Senator GRASSLEY. On another matter, are you aware of any deal being made with Gen. Noriega of Panama? I hope the newspaper report this morning is wrong. This administration would make a very serious error if it were making a deal the type of which was suggested in the newspaper this morning. Would you be involved in that sort of a maneuver, and is it true?

Mr. LAWN. Well, to answer the first part of the question, no, sir. I am aware of no deal being cut with General Noriega. It was the Drug Enforcement Administration that conducted that investigation.

Concerning the question as to whether I would be asked about such a deal, I would like to think that I would, in view of the fact that it is DEA who conducted that investigation, who brought the information to the Federal grand jury.

I have not been asked and I have no reason to suspect that such a deal is even being contemplated.

Senator GRASSLEY. What would your advice to the administration be?

Mr. LAWN. My advice to the Attorney General?

Senator GRASSLEY. Whoever would be involved in this decision.

Mr. LAWN. I think that our negotiating with an individual who has been charged with drug trafficking is the wrong message to give, and I certainly think so in this case.

Senator GRASSLEY. Thank you, Mr. Chairman.

Senator DECONCINI. The Senator from New Hampshire.

Senator HUMPHREY. Mr. Lawn, I want to change the focus to a regional focus for the moment. We hear a lot about drug problems in the larger cities and in those areas where the drugs tend to come across the borders, but as you know, the drug problem is the problem of every region and every State and every community, maybe even every school. That would be going too far. I think some schools—maybe that would be going too far, but it is certainly a problem of every community, and my State and the communities of my State are no exception.

You know as well that the drug problem—despite all of the rhetoric on both sides of the aisle about the so-called war on drugs over the last 10 or 15 years, the drug problem has grown a lot worse, not better, in most respects, and that is also true of New England and also true of the State which I represent.

Yet, for the last 10 years we have had a grand total of two Drug Enforcement Agency agents in the State of New Hampshire. For that last 10 years, that number has not increased commensurate with the increase in the severity of the problem. The number has

remained static for the last 10 years. What do you have to say about that?

Mr. LAWN. Senator, indeed there are two agents assigned to New Hampshire. They, in fact, are assigned to our Boston division. As investigations are developed, the personnel of the Boston office are sent to New Hampshire and to other States covered by our Boston office.

There are task forces operating in each of the areas there. With limited resources, we must allocate our manpower based upon the severity of the problem in our cities domestically and based upon the cooperation we receive in countries overseas.

Senator HUMPHREY. You say these two work out of the Boston office. Are they posted to New Hampshire full-time?

Mr. LAWN. Yes, sir, they are posted to New Hampshire full-time.

Senator HUMPHREY. But it is just that they report to the office in Boston?

Mr. LAWN. Yes, sir.

Senator HUMPHREY. And what about the number of agents for Region I over the last 10 years? Do you have any statistics on the growth of the number of agents assigned to that region?

Mr. LAWN. No, sir, I do not, because since 1982 we are not regional. Now, our focus is central headquarters. I know what you are asking. I could certainly——

Senator HUMPHREY. Well, then, figures for the Boston office. Is that a reasonable measurement?

Mr. LAWN. Yes, sir. The Boston office has increased its complement. By how many, I cannot tell you now, but I could certainly furnish that for you, sir.

Senator HUMPHREY. Yes. Will you provide that?

Now, a moment ago in response to my question, you said that you assign resources commensurate with the severity of the problem. Are you suggesting that we do not have a severe problem?

Mr. LAWN. Senator, there is a severe problem everywhere, as you say, and I would even venture to say that the problem is in every school system.

Senator HUMPHREY. Well, what are we going to do about it? I mean, have we gotten shortshrifted in New England?

Mr. LAWN. No, sir.

Senator HUMPHREY. Or in New Hampshire?

Mr. LAWN. Again——

Senator HUMPHREY. You have talked about how your resources have grown over the years, but on the delivery end of the chute we do not see any change in New Hampshire, none, zero.

Mr. LAWN. Senator, my resources have indeed grown. Now, we are almost as large as the Capitol Police. [Laughter.]

Senator HUMPHREY. How shall we take that? Is that a rub, or what is that?

Mr. LAWN. No, sir, I did not mean it to be. I was just trying to show that while indeed we have gone from 1,400 agents domestically to 1,900, we have a very, very small work force with which to deal with a massive problem.

Senator HUMPHREY. I understand, but I still fail to understand how your resources can have grown so much and yet the resources

assigned to my State have been absolutely perfectly static for 10 years.

Mr. LAWN. Because, sir, as I said, the resources in the division handling your State have increased so that we have the flexibility of moving very critically needed resources on an as-needed basis.

Senator HUMPHREY. Yes. Well, can you provide me some statistics to show how you have posted on a temporary basis these other resources to New Hampshire, how frequently, the number of man hours, or by whatever yardstick you measure it, so that I can see a meaningful statistic on your contention that we do not need any more full-time agents because you are assigning some part-time? I think that is what you are suggesting.

Mr. LAWN. No, sir, I certainly am not suggesting that other personnel are not needed. I think we need personnel in every State in the Union. I am saying based upon current resources we have had to put additional TDY personnel in your State, and I would be happy to furnish that.

Senator HUMPHREY. Fine, yes. That is what I would like to see because I have a concern that we are not getting a fair share of the resources.

Now, am I correct that you assign resources, you assign agents based upon productivity of those agents already in place, or some such thing? Do you have some kind of a productivity rating system on which you base allocation of resources?

In other words, those who haul in the most contraband get more resources or something of that kind?

Mr. LAWN. No, sir, that is absolutely not the way we——

Senator HUMPHREY. How do you do it?

Mr. LAWN. We have a staffing level meeting each January in Washington, DC. We invite in some of our senior field managers. We look at the work plans of each of our offices around the country and determine what the national problem is and base our resources upon what the field offices plan to address against what the national problem is, and we——

Senator HUMPHREY. Well, that does not really clarify it. That is awfully vague. How does that result in New Hampshire not ever getting an increase in the number of agents?

Mr. LAWN. As I said, sir, the resources have gone to the Boston division which covers New Hampshire, so that if——

Senator HUMPHREY. Well, have the other New England States gotten an increase in the number of agents permanently assigned to each of those States?

Mr. LAWN. I know, for example, that Maine has not.

Senator HUMPHREY. What about the others?

Mr. LAWN. I believe Connecticut may have two or three additional resources over the past 4 or 5 years.

Senator HUMPHREY. How do you judge that they have a worse problem than we have?

Mr. LAWN. Based upon the information provided us in the annual work plan from the agent in charge of the division, which, in part, is based upon the intelligence gathered from the U.S. Attorneys' offices, from our State and local counterparts.

It is not a simple formula as to if you make four arrests, you get a new agent. It is much more complicated than that, sir.

Senator HUMPHREY. Well, they are tied to productivity, the number of arrests, seizures, major investigations, and so on?

Mr. LAWN. There is a tie, sir, in that if there were no productivity, agents would be transferred.

Senator HUMPHREY. Well, of course, but that is not what I am asking. In the determination of how many agents to place in a State, is there some tie to past productivity records?

Mr. LAWN. A tie? Yes, sir, I would say yes, there is, in that the quality of the case—if an individual makes an arrest of someone who is growing marijuana in his backyard, that would not fit a Class 1 violator. So we certainly look at the effort put in Class 1 cases against Class 1 violators, Class 2 violators.

Senator HUMPHREY. But you are saying that the adequacy of the assigned force is dependent upon how good a job the individual agents are doing and not on the severity of the problem.

Mr. LAWN. No, sir. I say that is part of what we consider, certainly not the severity of the problem.

Senator HUMPHREY. Well, why do you consider that at all? I mean, the severity of the problem, it seems to me, ought to be paramount. How good a job an individual agent happens to be doing is certainly not the fault of the State or the communities involved.

Mr. LAWN. No, sir. Again, we certainly look at the severity of the problem and the availability of resources. That is part of the formula.

Senator HUMPHREY. Well, we are not going to be able to get to the very bottom of this in this discussion today, but I intend to and I would like to have a pledge of cooperation from you that you will help me get to the bottom of this and determine whether my State and my region are getting a fair allocation of resources.

Mr. LAWN. Yes, sir, I would be happy to do that, and I must admit, sir, that there are other States who are expressing the same concern about having a lack of DEA resources.

Senator HUMPHREY. Well, other States apparently must have made out a great deal better than mine, and I want to know about that and what the reason is.

What was your original budget request? Can you tell us that?

Mr. LAWN. The original budget request?

Senator HUMPHREY. Based on your assessment of needs, your request to the Department before it was scrubbed.

Mr. LAWN. I am sorry, sir. I do not have that information with me. I apologize.

Senator HUMPHREY. Can you give us a ball park number? The Department has approved your request, forwarded your request for—what is it? What is the amount?

Mr. LAWN. Yes, sir. Our request to the Department of Justice was for $750 million.

Senator HUMPHREY. 750, and the Department reduced that to what? They reduced that to 538, is that correct? 740 was the original?

Mr. LAWN. The Department of Justice then forwarded our request to OMB for——

Senator HUMPHREY. OMB reduced it to 538?

Mr. LAWN. Yes.

Senator HUMPHREY. They cut you by $200 million?

Mr. LAWN. Yes, sir.

Senator HUMPHREY. And what effect will that cut of $200 million have on your anticipated operations?

Mr. LAWN. We have a strategic plan, sir, and it certainly will have a negative impact. Additional resources means additional personnel to States; it means additional resources overseas. It will take us longer in our strategic plan to get the job done that we feel can be done.

We could have done the job more effectively in 1 year than over 2 or 3 years, so it will have an impact.

Senator HUMPHREY. What rationale did OMB give you for a cut of that magnitude?

Mr. LAWN. The overall budget, sir.

Senator HUMPHREY. But they were not explicit in suggesting how you could economize or were not explicit in justifying the elimination of programs or the scaling back of programs that will occur under a cut of this size? They were not explicit at all in that?

Mr. LAWN. No, sir, other than the budget ceiling and that we were given additional resources and many agencies were not given additional resources.

Senator HUMPHREY. Which is sort of a generic reply, then. It did not address your problems in any detail, I assume.

Mr. LAWN. No, sir; no, sir.

Senator HUMPHREY. Thank you, Mr. Chairman.

Senator DECONCINI. The Senator from Pennsylvania.

Senator SPECTER. Thank you, Mr. Chairman.

Administrator Lawn, I would like your overall judgment on generalized allocations of funds from the war on drugs between the supply side and the demand side. The budget process recently saw the U.S. Senate allocate in excess of $2 billion for the war on drugs.

Senator DeConcini, I, and others were involved in that, and Senator Humphrey, and some of us have concluded recently that given the problems on the supply side where entire police forces are bought, where South American countries are under control of drug dealers, that while not ignoring the supply side, we might be better advised to concentrate additional resources in a proportionate way on the demand side, on education, on rehabilitation.

I would like your judgment as to how we ought to allocate this very large additional sum which we are talking about.

Mr. LAWN. Yes, sir. First, let me address something that I mentioned very recently to Ms. Lois Harrington of the White House Conference. In the late 1960's when there was a war in Southeast Asia, the annual budget for that particular war was $30 billion a year. The war on drugs is a war being fought with $2.7 billion.

Last night I read that the Pentagon next year will spend $5 billion to refurbish the tank corps. I feel that the $2.7 billion is inadequate to address the war.

Senator SPECTER. Well, come to my question. We have decided on a figure in excess of $2 billion. Do you think more ought to be allocated at this stage in our experience to the demand side contrasted with the supply side?

Mr. LAWN. I do not believe necessarily, sir, that on the demand side money is as important as commitment. I know, for example, we have a very small demand program and there are many, many private industries that are very anxious to participate in demand side initiatives.

What we need is a greater national focus on the demand side, which may not mean additional dollars. That is not the case, sir, I do not think, as far as——

Senator SPECTER. Well, how do you evaluate overall the existing war on drugs on the supply side? Is it not pretty clearly a failure?

Mr. LAWN. No, sir, it is not a failure at all.

Senator SPECTER. Well, is there any shortage anywhere in the United States for anybody who wants to buy drugs?

Mr. LAWN. There is not a shortage, sir, but——

Senator SPECTER. Any unavailability? I mean, is it not a fact that if anybody wants to buy drugs, they can do so, notwithstanding the tremendous efforts we have made to try to stop the growth of drugs in foreign countries, to interdict coming into the United States, to arrest pushers?

Is it not a cold fact of life that anybody who wants to buy drugs anywhere in this country can do so?

Mr. LAWN. I believe that drugs can be purchased if people know where to purchase the drugs, but I would take strong objection, sir, to saying that the war on drugs is a failure. I think that we are making progress on this war. The United States has been involved in——

Senator SPECTER. Well, if you can buy drugs on virtually every street corner in a city like Philadelphia or Pittsburgh, and all over the United States you can buy drugs if you have the money, how can you say the war on drugs is not a failure on our massive efforts to interdict and stop the supply of drugs?

Mr. LAWN. Because we are dismantling organizations, we are having an impact against those organizations. In any war, if we are talking about the drug war, there is a long period of battle before there is ultimate success and talking about failure in the middle of an encounter, I think is very counter-productive.

I think we are having an impact. I think successes are being generated.

Senator SPECTER. Well, I do not want to be counter-productive, Administrator Lawn. I just want to be realistic, figure out what it is we need, figure out what resources we have, and direct them.

Let me move to General Noriega, a subject which Senator Grassley brought up. You had commented that you would have expected to have been informed about any plea bargain with Noriega because you provided the underlying evidence as to General Noriega.

I had heard a report that DEA was not informed that the indictment was about to be brought against General Noriega. Is that untrue?

Mr. LAWN. That is untrue, sir. It was an indictment based upon our investigation which was presented to a grand jury in the Southern District of Florida by DEA personnel.

Senator SPECTER. And you were aware at the time that the evidence was presented and you were contemporaneously informed that the indictment was imminent?

Mr. LAWN. Yes, sir. I was briefed by personnel from Miami who flew to Washington with the U.S. attorney and met with me and with senior personnel in the Department of Justice to talk about the forthcoming indictment.

Senator SPECTER. If the indictment against Noriega were to be dropped, would that not be a very strong blow against our efforts against drug sellers of the magnitude of Noriega?

Mr. LAWN. Yes, sir. That was the point I tried to make before.

Senator SPECTER. So you would be totally opposed to it?

Mr. LAWN. Yes, sir.

Senator SPECTER. Do you think the reports which continue to come out in today's media are inaccurate about a bargain with Noriega?

Mr. LAWN. Since I have received no information from the Department of Justice or elsewhere, I would have to say that that is speculation and not based upon fact.

Senator SPECTER. Have you sought to make your views known to the Attorney General on this subject, even though I understand he has not made an inquiry of you?

Mr. LAWN. I this morning spoke with the Associate Attorney General and I meet with the Attorney General tomorrow.

Senator SPECTER. And you told the Associate Attorney General that you thought it very unwise to deal with Noriega on a plea bargain?

Mr. LAWN. I asked the Associate Attorney General if he had any information indicating that the newspaper articles were correct. He had none, and I told him that I would be opposed to any such action, were that to be a fact.

Senator SPECTER. Let me broach the case of Mata with you. Can you bring us any updated information? That is the individual who was apprehended in Honduras with the cooperation of the Honduran government, where we had reason to believe that he is a major drug seller in Central America and implicated perhaps in the assassination of U.S. drug agents.

Mr. LAWN. Yes, sir. The only updated information I have is based upon a conversation I had yesterday with the Director of the U.S. Marshals Service, who told me that Juan Mata Ballesteros is currently in the penitentiary in Marion, IL, and that the trial would be beginning very shortly.

Senator SPECTER. The last question I have for you, Administrator Lawn, turns on your allocation of resources. I am glad to see that two special agents were allocated recently to Allentown. I am pleased to be able to say that after Senator Humphrey has departed, although I shall tell him that we have two in Allentown.

I would like to ask you what your standards are generally for allocation of resources, and while thanking you for the two for Allentown, PA, to echo what Senator Humphrey has said about the difficulty of having an adequate number.

I understand your problems there, but could you give us a thumb-nail sketch as to how you make those determinations?

Mr. LAWN. Yes, sir. As I had indicated, each year our field divisions submit a work plan to our headquarters. We sit down and look at the individual geographical work plan, look at what our resources will be, and then make a determination, with field input as

well as headquarters input, on how best we can allocate our resources.

It is a program that takes about 5 days and it is one based upon field input as well as headquarters input, personal as well as reports.

Senator SPECTER. Administrator Lawn, I have one final question that I would like you to answer for the record because I do not want to take any more time today during this hearing.

I note at page 8 of your prepared statement you have commented about the education and prevention facet of DEA's role on demand reduction. I would appreciate it, and I think the committee would find it helpful, if you would amplify specifically what is being done on that side beyond the brief references you have made in your prepared statement.

I would like a more comprehensive response to my question as to whether you think it might be wise to make a greater allocation of the new budgeted funds on the demand side.

Without going into the details here, you know where our funds have been allocated in a general way as to interdiction on the supply side and pushers on the street and education and rehabilitation, and I would be interested in your professional judgment as to the allocation of the new funds which we are talking about because I have a sense that given our massive efforts on supply and the relatively limited yield—and I understand you may disagree with that, but I have a sense, having been in the field for a long time and having been a part of this war for more than 20 years—it is not something that just started.

Senator DeConcini was a prosecutor in Tucson and I was a prosecutor in Philadelphia going back more than two decades ago, and we made massive efforts on the supply side and I regret to say that I think we are failing.

But I would like your evaluation as to whether it might not be wise to allocate more resources on the demand side to see if we could not dry up the demand, and then we know that no matter—that the money will not be there, perhaps is a better answer.

Mr. LAWN. Certainly, sir, I believe in the demand side, and when we began our demand side effort, this was an unfunded effort where we took funding from DEA to initiate a program.

Our program—you asked for some detail—was based upon no wisdom of mine, unfortunately, but a high school coach in Washington, DC, who came to us and said that if he had information, he might be able to effect change in drug use among young people involved in sports.

As an old high school coach myself, I took that to the National High School Coaches Association, which unanimously believed that if they had drug education training they could effect change. We have initiated that training. We have trained 15,000 high school coaches with access to 500,000 youngsters.

The program has been an effective program, so effective that we are putting additional personnel into our demand reduction program, again without any additional request from the budget.

Senator SPECTER. Thank you very much, Administrator Lawn. Thank you, Mr. Chairman.

Senator DECONCINI. Thank you, Senator Specter.

The record will accept the opening statement of Senator Heflin.

[The statement of Senator Heflin follows:]

SPEECH OF SENATOR HOWELL HEFLIN
ON THE DRUG ENFORCEMENT ADMINISTRATIONS
BUDGET OVERSIGHT HEARING
BEFORE THE SENATE JUDICIARY COMMITTEE

MAY 12, 1988

MR. CHAIRMAN,

I WOULD FIRST LIKE TO WELCOME MR. LAWN TO TODAY'S HEARING ON THE DRUG ENFORCEMENT ADMINISTRATION. THE DEA IS THE LEAD AGENCY IN THE WAR ON DRUGS WORLDWIDE. EVEN BEFORE THE ISSUE OF DRUG ABUSE, DRUG TRAFFICKING AND DRUG PUSHING ATTAINED SUCH PROMINENCE IN THE MINDS OF ALL AMERICANS, THE DEA WAS ALREADY FIGHTING THE WAR AGAINST DRUGS. I HAVE ALWAYS BEEN SUPPORTIVE OF MOST DEA EFFORTS, AND MY SUPPORT WILL CONTINUE.

WE ARE CURRENTLY CONSIDERING FOUR MAJOR FUNDING INITIATIVES FOR THE DEA, ALL OF WHICH I BELIEVE SHOULD RECEIVE OUR FULL SUPPORT. FIRST, IS THE EFFORT TO MODERNIZE DEA'S AIR WING AND TECHNICAL SUPPORT PROGRAM. SECOND, WE MUST COMPLETE THE CONVERSION OF DEA'S INFORMATION SYSTEM AND ENHANCE THE EL PASO INTELLIGENCE CENTER. THIRD WE MUST PROVIDE FUNDING

NECESSARY TO ALLOW THE DEA TO IMMOBILIZE MAJOR DRUG TRAFFICKERS AND THEIR TRAFFICKING ORGANIZATIONS BY CONCENTRATING RESOURCES ON ASSET REMOVAL TEAMS. LASTLY, THE DEA WANTS TO STRENGTHEN BOTH ITS FIELD AND HEADQUARTER ADMINISTRATIVE CAPACITY, AND I BELIEVE THAT WE SHOULD BE SUPPORTIVE OF THIS EFFORT.

WHILE I DO SUPPORT DEA BUDGET REQUESTS I WOULD LIKE TO ENCOURAGE THE DEA TO WORK MORE CLOSELY WITH STATE AND LOCAL LAW ENFORCEMENT AGENCIES. ONLY IF WE ALL WORK TOGETHER, WILL WE WIN THE WAR AGAINST ILLEGAL DRUGS.

I THINK IT IS IMPORTANT FOR ALL OF US TO REMEMBER THAT DRUG INTERDICTION IS ONLY ONE BATTLEFRONT IN OUR WAR ON ILLEGAL DRUGS. WE MUST ALSO FOCUS OUR EFFORTS ON SUPPLY AND DEMAND REDUCTION, ON TREATMENT FOR DRUG ABUSERS, ON MORE SUCCESSFUL PROSECUTION EFFORTS FOR DRUG TRAFFICKERS AND DRUG PUSHERS, AND ON MORE STRICT SENTENCING FOR DRUG OFFENDERS.

THE WAR ON DRUGS WILL ONLY BE WON THROUGH A BALANCED, CONCERTED ENDEAVOR ADDRESSING ALL OF THESE EFFORTS.

THANK YOU MR. CHAIRMAN.

Senator DECONCINI. Senator Simon will submit some questions, as I will, Mr. Lawn, on the Anti-Drug Abuse Act of 1988 introduced by Senators D'Amato, Domenici, and 72 other members.

About 3 months ago, Mr. Lawn, President Reagan was, I believe, in Charlotte, NC, making a speech there about drugs. One of the statements he made was that there was an untold success story of the war on drugs in America.

Do you agree that it is an untold success story?

Mr. LAWN. I do not know the context, sir, in which that was said, but I cannot say—I mean, I could not say that we are looking at a success story. We are looking at a success as far as drug use among our high school seniors is concerned.

If the President were basing his comments upon that, indeed it looks like a good picture. Unfortunately——

Senator DECONCINI. I will get you his full statement. I think it is only fair to submit that statement to you and ask your response.

Mr. LAWN. Thank you.

Senator DECONCINI. The reason I want to get your opinion of the statement is that I am concerned the President may not have the full picture before him when those kinds of statements are made.

I applaud the President and Mrs. Reagan on their "Just Say No" program. I think it has raised awareness immensely in schools and throughout the public, but I certainly hate to see the President think the war on drugs is a success because I think we have got a long way to go, and I suspect you agree with that.

Mr. LAWN. Mr. Chairman, the President was briefed 2 weeks ago by the National Drug Policy Board, and the outline was an outline of the reality of the drug epidemic in this country.

Senator DECONCINI. Now, going back to Mexico, without jeopardizing the indictments in California where a general and a colonel and a number of Mexican officials were indicted by U.S. Attorney Bonner, could you give us a status report on those proceedings, or do you know that?

Mr. LAWN. No, sir. I am sorry. I do not know the latest status of those particular investigations.

Senator DECONCINI. Do you know the defendants, the identity of the defendants, and what their positions in the government were?

Mr. LAWN. Yes, sir, I do. The one individual who identified himself as a general, who during undercover negotiations actually wore a uniform, had been separated from the service in Mexico, from military service, I believe, in 1973 or 1974.

The other individuals who purported to be members of the Mexican Federal Judicial Police were not members of the Mexican Federal Judicial Police.

Senator DECONCINI. Are you satisfied that the one who is represented to be a general is not, in fact, in the military and has, in fact, not been reassigned as a zone commander?

Mr. LAWN. I am satisfied that the information I received was accurate, yes, sir.

Senator DECONCINI. You do not believe he is currently in the military in Mexico?

Mr. LAWN. No, sir. As recently as yesterday, Ambassador Pilliad told me that the information about his being a general was inaccurate.

Senator DECONCINI. And that he is not presently in the service?

Mr. LAWN. We did not discuss that. That was not something we talked about.

Senator DECONCINI. Do you know who he is, or do you know what positions he has held?

Mr. LAWN. No, sir, I do not.

Senator DECONCINI. Are you interested in knowing that?

Mr. LAWN. Certainly, if you have that information, sir.

Senator DECONCINI. No, I do not have it. I wonder if you are interested in knowing who he is and what positions in the government he has held back there. Did the ambassador tell that to you?

Mr. LAWN. The ambassador indicated to me that he was a colonel, I believe, in the army who was severed in 1973 or 1974, but that information is available at headquarters and I would be happy to provide it.

Senator DECONCINI. Would you provide us with a background on all of the defendants in those cases, please, as to what positions they hold now and what governmental positions they have held in the past?

Mr. LAWN. Yes, sir.

Senator DECONCINI. Now, going back to Panama, I am most appreciative, Mr. Lawn, and compliment you for apparently taking the initiative and contacting the Attorney General and expressing your views because they certainly are the same as mine. Everybody likes to have people agree with them and so, in this case, I agree with you, sir. I think it would be outrageous and a tragedy if, in fact, such a deal was made.

When did the DEA first suspect Mr. Noriega was involved in narcotics smuggling?

Mr. LAWN. DEA began receiving information on allegations against General Noriega perhaps in the late 1970's, and it was not until, I believe, 1986 or 1987 that there was sufficient information on those allegations to bring that information to a Federal grand jury.

Senator DECONCINI. Was it before your letter to General Noriega of February 13, 1987, regarding the——

Mr. LAWN. Operation Pisces?

Senator DECONCINI. Yes, the *Jack Carlton Reed* case.

Mr. LAWN. No, sir, I do not believe it was.

Senator DECONCINI. Do you think it was after that date when your agency had what you would call substantive evidence, or when would you say you felt it was substantial?

Mr. LAWN. Our agents were developing information. Any time there was an allegation received, where we could we tried to investigate it, but I believe that I had a meeting with our personnel from Miami in June of 1987 concerning those allegations against General Noriega.

Senator DECONCINI. And before that, you did not consider him a high suspect, or a class one suspect, or what you would consider a serious drug dealer?

Mr. LAWN. No, sir. In law enforcement, as you know, individuals are innocent until they go through the process.

Senator DECONCINI. I am not debating the judicial system, Mr. Lawn. I am trying to find out when the DEA concluded, either you

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or in your agency, that Mr. Noriega was, in your judgment, a suspect or in the drug business.

Mr. LAWN. On the date on which we brought the information before the Federal grand jury in Miami.

Senator DECONCINI. And not before that?

Mr. LAWN. No, sir.

Senator DECONCINI. At no time before you brought the information before the grand jury did you suspect or consider him a drug smuggler. Is that what you are telling me?

Mr. LAWN. No, sir.

Senator DECONCINI. What are you telling me?

Mr. LAWN. My considering anybody a suspect is immaterial in law enforcement.

Senator DECONCINI. It is not immaterial, Mr. Lawn. You get rumors, right, about Mr. Noriega or Mr. somebody else and then you investigate them, do you not?

Mr. LAWN. Yes, sir, we do.

Senator DECONCINI. Okay. Are they not suspects?

Mr. LAWN. They are suspects when information is developed to make them suspects, yes, sir.

Senator DECONCINI. That is fine. When was the information developed on Noriega, over what period of time?

Mr. LAWN. As I mentioned, from 1978 through 1988, information was received from individuals, much of it hearsay, that someone suspected that the general was involved in some illegal activity.

Senator DECONCINI. And did you do any investigations?

Mr. LAWN. Yes, sir, we most certainly did.

Senator DECONCINI. And when did you do those investigations?

Mr. LAWN. Whenever we received an allegation, investigations were conducted.

Senator DECONCINI. And do you know offhand when any of those investigations were?

Mr. LAWN. In 1978, 1979, 1980, during that period of time.

Senator DECONCINI. Every year?

Mr. LAWN. Whenever we received an allegation, sir.

Senator DECONCINI. Will you check your file and let me know when you received the allegations and if, indeed, you did an investigation and what the conclusion was of the investigation?

Mr. LAWN. I can certainly do that, Mr. Chairman. An allegation is an individual—I mean, it could be an individual who is in a Federal penitentiary who says, I think such-and-such.

Senator DECONCINI. And if you had such an allegation such as "I think Mr. Noriega is a drug smuggler," might you investigate that?

Mr. LAWN. I would say in that case, sir, we would ask the individual to take a polygraph.

Senator DECONCINI. Okay, and did you do that in any of these——

Mr. LAWN. Yes, sir, we did.

Senator DECONCINI. Yes. Well, that is what I would like to know. My interest stems from your letter of February 13, 1987, which goes to a particular case, Jack Carlton Reed.

Mr. LAWN. Yes, sir.

Senator DECONCINI. It compliments Mr. Noriega, and I will not read it here; I will put it in the record.

[The document follows:]

U.S. Department of Justice

Drug Enforcement Administration

Washington, D.C. 20537

FEB 13 1987

General Manuel Antonio Noriega
Commander in Chief
Panamanian Defense Forces
Panama, Republic of Panama

Dear General Noriega:

I am writing to express my gratitude and appreciation for the recent actions taken by the Panamanian Defense Forces under your command.

The recent arrest of DEA fugitive Jack Carlton Reed and his paramour, Linda Brown, on February 6, 1987 and their subsequent deportation on February 7 to the United States will allow the Drug Enforcement Administration to prosecute Reed, who is a co-defendant of Carlos Lehder Rivas.

Your long-standing support of the Drug Enforcement Administration is greatly appreciated. International police cooperation and vigorous pursuit of drug traffickers are our common goal. I look forward to meeting with you at the upcoming International Drug Enforcement Conference (IDEC V), March 25-27, 1987, at Sao Paulo, Brazil.

Sincerely,

John C. Lawn

John C. Lawn
Administrator

Senator DECONCINI. I can appreciate the importance of that *Reed* case, being able to get him extradited and prosecuted here. What concerns me is our coziness with leaders of countries whom we suspect are drug dealers.

Mr. LAWN. Coziness, sir, is your word. Whenever someone cooperates with us, as the Panamanian defense forces did in Operation Pisces, I sent a letter to the Panamanian defense forces, to General Noriega, with the successful conclusion——

Senator DECONCINI. Even if he was a suspect and you were investigating him?

Mr. LAWN. If there were information, certainly, before a grand jury, I would not.

Senator DECONCINI. But if you were doing an internal investigation based on someone in the penitentiary or any other information and you were going to go take a polygraph or you had done polygraphs, you would still send such a letter?

Mr. LAWN. Yes, sir, I would send a letter to anyone who cooperated with us who was innocent until proven guilty.

Senator DECONCINI. So it does not make too much difference what your information is. From your standards, unless they have been indicted, it is okay to continue to compliment them even though you are investigating them?

Mr. LAWN. No, sir.

Senator DECONCINI. No?

Mr. LAWN. When someone passes information, that does not make an individual a suspect. Someone like yourself involved in law for a number of years, you know that. You hear allegations all the time from a number of people. That will not detract from my thanking an individual for taking a course of action on a request of something we ask.

Senator DECONCINI. If you start an investigation, whether it is based on information from someone who is in prison who says something, or it is based on an informant whom you paid, or a nonpaid informant, you start an investigation to check that out.

Now, is the person you are investigating a suspect then?

Mr. LAWN. Certainly, if we have substantial information, an individual is a suspect. If I receive——

Senator DECONCINI. They are a suspect. My point is if you are investigating someone, if they are a suspect, not concluding guilt or innocence, would you go ahead and send a letter if that suspect had done something helpful in some other area?

Mr. LAWN. If the information were compelling, certainly, I would not send a letter. If the information were hearsay, I would send a letter.

Senator DECONCINI. So is it fair to conclude that when you sent the letter to Mr. Noriega on February 13, 1987, there was no compelling evidence that he was a drug dealer?

Mr. LAWN. Yes, sir. There was hearsay and we were investigating that hearsay.

Senator DECONCINI. Fine. Now, Mr. Lawn, returning to Panama and other associates of Mr. Noriega, are any of those associates of Mr. Noriega suspects or under investigation, or can you say?

Mr. LAWN. I do not have that information with me at this time, sir. I do not know.

Senator DECONCINI. You do not know. I do not want to say this the wrong way, Mr. Lawn. Is it because of the nature of your position and the size of it—let me put it this way. Who in DEA would know if some of Mr. Noriega's associates in the defense forces are either under investigation or suspects?

Mr. LAWN. Well, we receive 8,000 intelligence reports a week at DEA headquarters. I can certainly determine whether any information that has been received is under investigation or whether anyone in the Panamanian defense forces is currently involved in an investigation which we will be presenting to the Federal grand jury.

Senator DECONCINI. You will let me know if any of those are under investigation?

Mr. LAWN. Yes, sir. If we have an investigation before a grand jury, I will certainly let you know.

Senator DECONCINI. Well, how about information not before a grand jury?

Mr. LAWN. It would be very difficult for us, sir, to categorize all of the information we have received against anybody.

Senator DECONCINI. I am not asking you to categorize it. What I would like to know is whether and of Mr. Noriega's associates within the Panamanian defense forces are under investigation, not before a grand jury, but by your agency.

Mr. LAWN. I will furnish whatever information is available to us.

Senator DECONCINI. Okay, that is fine.

Are you familiar with Mr. Padilla, Assistant Attorney General in Mexico?

Mr. LAWN. Ortega Padilla?

Senator DECONCINI. Ortega Padilla.

Mr. LAWN. Yes, sir.

Senator DECONCINI. Is he under investigation, or has he been under investigation?

Mr. LAWN. No, sir.

Senator DECONCINI. Pardon?

Mr. LAWN. No, sir, not to my knowledge.

Senator DECONCINI. And are there any people presently within the attorney general's office in Mexico who are under investigation or have been, even though you have not gone to a grand jury? When I am talking about investigations, that includes just following up on hearsay or whatever informants or information you have.

Mr. LAWN. I do not have that information, sir, and if there were an individual upon whom we have received information, I certainly could not discuss it at an open hearing.

Senator DECONCINI. Will you task your agency to have that information? I will set another hearing because I want to ask some questions, particularly about the *Camarena* case. It concerns me immensely. The 15,000 pages—that is something new; I did not know about that one—and the length of time that has gone on, and the particular case involving the indictment in San Diego of Mr. Quintero and Mr. Vonsecca.

How long would it take you to put that information together so we could have a closed hearing?

Mr. LAWN. A hearing on Mexico?

Senator DECONCINI. A hearing on Mexico, yes, sir.

Mr. LAWN. I can review our reports on Mexico.

Senator DECONCINI. In a week or something like that? Is that reasonable?

Mr. LAWN. Yes, sir.

Senator DECONCINI. I do not want to press you. I will set it when you can put the information together, but I am interested in pursuing it, particularly the cases involving Camarena, those indictments, and other associated indictments.

So, Mr. Lawn, what is the best way for us to arrange it so you will know what I want to know? Is this record going to be sufficient?

Mr. LAWN. Yes, sir. I have personnel taking notes here.

Senator DECONCINI. Do you want me to have someone talk to your staff about specifics of what I want, or is this record sufficient?

Mr. LAWN. I have staff here, Senator, and they will be happy to be in contact with your staff about the specificity of your request.

Senator DECONCINI. Thank you.

Now, Mr. Lawn, you indicated that you were totally aware of the Miami U.S. attorney's indictments against Mr. Noriega. What about the indictments in Tampa accusing Mr. Noriega of conspiring to import more than 1 million pounds of marijuana into the United States? Was the DEA the investigative agency behind that case as well?

Mr. LAWN. No, sir. As I recall, the Drug Enforcement Administration had some information and determined that the Federal Bureau of Investigation had also developed information. There was a meeting held in Miami, FL, on the information, sharing of that information, but I believe that the indictment returned in the Middle District of Florida was based upon an FBI investigation.

Senator DECONCINI. An FBI investigation?

Mr. LAWN. Yes, sir.

Senator DECONCINI. So you do not have the information available in your agency regarding the Tampa, FL, indictment?

Mr. LAWN. I may have the information. They may have provided a copy of the indictment. I do not know that, sir.

Senator DECONCINI. Would you mind also looking into what evidence is behind that indictment?

Mr. LAWN. Certainly, and if not, I will ask Director Sessions to provide a copy of that indictment.

Senator DECONCINI. Thank you, Mr. Lawn.

Mr. Lawn, since 1985 there has been an aggressive effort by Congress and the administration to enhance the law enforcement effort along the southwest border. To that end, Operation Alliance has been instituted.

In your opinion, has Operation Alliance been successful in curtailing the flow of illicit drugs from Mexico into this country?

Mr. LAWN. Yes, sir. We had a meeting last Friday on Operation Alliance. A press release was just issued by Mr. Padolino on Operation Alliance. The statistical accomplishments are noteworthy. We believe Operation Alliance is unique, we believe it is working, and we think there are things that we can do to enhance it, but it has been an effective operation.

Senator DECONCINI. What kind of additional support in personnel would the DEA need to meet your strategies in Operation Alliance? Are you fully staffed now with the people who were assigned there in accordance with the 1986 omnibus drug bill?

Mr. LAWN. Yes, sir. We have, I believe, over a hundred people working Operation Alliance.

Senator DECONCINI. So it is at full strength today?

Mr. LAWN. Yes, sir, that is the strength to date based upon our current work plan.

Senator DECONCINI. Excuse me?

Mr. LAWN. Our current plan for Operation Alliance.

Senator DECONCINI. And are you aware of other agencies' strength levels in Operation Alliance?

Mr. LAWN. No, sir, I could not give you those figures.

Senator DECONCINI. You do not know how many Customs agents or Border Patrol agents are full strength in Operation Alliance?

Mr. LAWN. No, sir. Those figures have been quoted at the meetings we attend, but I could not recall them at this point with any accuracy.

Senator DECONCINI. The southwest border has become the major crossing point, I believe—and if you do not, I wish you would correct me—for illegal drugs coming into the United States. Is that a fair statement?

Mr. LAWN. It is one of the major areas.

Senator DECONCINI. One of the major areas.

Mr. LAWN. I could not say it was the major area, sir, when we just had a 9,000-pound seizure of cocaine in Florida.

Senator DECONCINI. In Florida, so one of the major areas would be a better description of the southwest border?

Mr. LAWN. Yes, sir.

Senator DECONCINI. Past testimony from DEA suggests that the southwest border will get much worse before it gets better. Is that a fair summary of what I have read in other testimony by your agency?

Mr. LAWN. Yes, sir. Our assessment is that with the increased resources in Florida and in the Caribbean that taking the land route through Mexico is probably the——

Senator DECONCINI. Accelerating?

Mr. LAWN. Accelerating, yes, sir.

Senator DECONCINI. Do you base this information on DEA agents' and informants' information that you get in Mexico?

Mr. LAWN. On all of the above, sir, on informants throughout South America.

Senator DECONCINI. Throughout South America.

Mr. LAWN. Through agent assessments and through sharing of information with other agencies.

Senator DECONCINI. Is the number of DEA agents operating in Mexico a confidential or classified figure?

Mr. LAWN. Yes, sir. That is something we do not talk about in a public forum, no, sir.

Senator DECONCINI. Okay. Is the complement of DEA agents in Mexico today sufficient, in your judgment, to provide the DEA with the resources to carry out the kind of investigative efforts that you would like to do?

Mr. LAWN. Yes, sir. We are satisfied with our agent complement in Mexico. We are satisfied with their intelligence product coming from Mexico and we have no immediate plans to request any additional personnel in Mexico.

Senator DECONCINI. Mr. Lawn, I would like to make arrangements for you and me to meet with the Central Intelligence Agency to review some of the information that they have. Can that be arranged on your schedule for some time next week?

Mr. LAWN. I can certainly check the schedule, sir, but I am in Washington next week and that is——

Senator DECONCINI. You are in Washington?

Mr. LAWN. Yes, sir.

Senator DECONCINI. I would like to proceed. It would take us about 45 minutes or an hour.

How many Customs agents, Mr. Lawn, if any, have been cross-designated for participation in Operation Alliance? Do you know?

Mr. LAWN. No, sir, I do not know the exact figure. I know that in the entire cross-designation process, we have cross-designated a total of over 4,000 Federal agents. I do not know specifically how many of those are Customs agents.

Senator DECONCINI. Some of those have been cross-designated from DEA to Customs and other agencies as well, or have they mostly been from other agencies into the DEA cross-designation?

Mr. LAWN. Other agencies into DEA, sir, Immigration and Naturalization, the Border Patrol at the border, and Customs agents on the border.

Senator DECONCINI. Is that a large chore for your agency to supply us with information on how many agents in Operation Alliance have been cross-designated agency by agency?

Mr. LAWN. No, sir.

Senator DECONCINI. Mr. Lawn, I am going to submit the balance of the questions. I do have some questions relating to your testimony, the strategy of the DEA, and what you feel your goals and objectives are.

I am interested in this information because I think you are recognized as the lead agency in the so-called drug war. Certainly this is so in the foreign countries with your presence there at the sufferance of those countries and, of course, within the United States.

My questions, I hope, are not critical, but they go to some specifics, and also opinions, as to where you think the strategy is going to lead us. I realize that it is supposition in dealing with this, but I am trying to get a handle on whether or not what Senator Specter points out, in fact, may have quite a bit of accuracy—that we are really not winning this war.

I like to think we are beginning to put in place the necessary assets to start a war on drugs. I liked the testimony of Chief of Police, Mr. Gates, of Los Angeles, about a year-and-a-half ago who testified before congressional hearings with Senator Wilson and me. He chided me and all of us in public life that we have never had a war on drugs, in his opinion, because if you have a war on drugs, you mobilize your military and you educate your population and you have an objective to conquer and to control.

We have yet to do that, and that is the basis of my question. I am interested in seeing what strategy might really be put together,

and you may have some, as to what you really would do if we were going to declare war.

Mr. LAWN. I can say, Senator, I accompanied the Attorney General on a trip to South America to critical-source countries and we were most encouraged by what we learned from meeting with each of the presidents, from meeting with the national police in those countries.

Since that meeting, the enforcement activity ongoing in those countries gives me reason to believe that there is a sustained effort in those countries.

Senator DECONCINI. What countries were those? Did that include Colombia?

Mr. LAWN. Yes, sir, Colombia, Bolivia, Peru, Ecuador, and——

Senator DECONCINI. It is your conclusion that in Colombia there is a sustained effort to curtail the drug cartels there?

Mr. LAWN. Yes, sir.

Senator DECONCINI. What do you base that on, Mr. Lawn?

Mr. LAWN. There have been recent major efforts by the Colombian National Police involving three major laboratories, bigger than the laboratories seized in Tranquilandia several years ago where 12 metric tons of cocaine were seized.

In addition, we met with General Ruiz and President Barco and they talked about their ongoing efforts in trying to locate and arrest Pablo Escabar. All of these efforts have not engendered any publicity, but the reports we are receiving through our country attache indicate that the will of the Colombian people and the Colombian government is strong, in spite of all the losses they have suffered.

Senator DECONCINI. You do not feel that the drug cartels and the drug smugglers there have advanced in the last, say, 12 months or 6 months?

Mr. LAWN. The drug smugglers obviously have advanced, but the Colombian government has not abrogated its responsibility. In fact, they have taken very strong enforcement action.

Senator DECONCINI. Were you down there before or after the attorney general was assassinated?

Mr. LAWN. I have been down there——

Senator DECONCINI. Have you been down there since then?

Mr. LAWN. Yes, sir. I was down there 3 weeks ago, sir.

Senator DECONCINI. Three weeks ago, and would you say that is less apt to happen now, that kind of violence towards government officials, or is it still so volatile that it is unfair to predict?

Mr. LAWN. Oh, I think the violence is there, sir, and as the army continues to take stronger action, there will be greater violence because the traffickers when they feel intimidated will take action.

Senator DECONCINI. Do you think the army in Colombia is as well equipped with light weapons as are the drug cartels?

Mr. LAWN. I do not have an inventory, sir, of the weapons that the terrorists, the narco traffickers have, but I do know that the actions taken by the military were very successful against these traffickers.

Senator DECONCINI. Do you have a conclusion that the drug problem in Colombia is abating?

Mr. LAWN. No, sir, of course not. The problem is not abating. It is going to be a long, drawn-out war, just as the war in this country will be a long, drawn-out war.

Senator DECONCINI. Has it leveled out, in your judgment?

Mr. LAWN. No, sir, it has not.

Senator DECONCINI. Is it still accelerating, the amount of drugs that are being produced and shipped out of Colombia?

Mr. LAWN. Colombia continues to be the predominant country for cocaine hydrochloride. The traffickers are moving to other countries, but at this point Colombia continues to be the predominant source country for hydrochloride.

Senator DECONCINI. And has that increased or leveled out or gone down in the last 12 months?

Mr. LAWN. Again, that is difficult to assess. What I am speaking to is the fact that there is a commitment on the part of the Colombian Government that has not abated, and that is encouraging for us.

Senator DECONCINI. You do not have an opinion as to whether the drug trafficking from Colombia in the last 12 months has leveled off or gone down?

Mr. LAWN. I certainly do not believe it has gone down, sir.

Senator DECONCINI. So it has either leveled off or gone up?

Mr. LAWN. Right, and that would be just a matter of conjecture.

Senator DECONCINI. You do not have information you feel is accurate from any other agencies or sources that would give you some estimation whether or not it has gone up or gone down?

Mr. LAWN. Information concerning crop production, sir?

Senator DECONCINI. Crop production and export.

Mr. LAWN. Certainly, there has been increased cultivation of coca in Colombia, but Colombia is not a predominant cultivator of coca.

Senator DECONCINI. I know. How about laboratories? Are there fewer laboratories now than there were a year ago, or do you know?

Mr. LAWN. I am sorry. I do not have that information available to me now.

Senator DECONCINI. Do you have that information?

Mr. LAWN. I have information available about laboratories. How accurate it is, I am not sure, sir.

Senator DECONCINI. Well, when we meet on Mexico, can you give us an estimation of whether or not whatever information you have——

Mr. LAWN. How many laboratories we think are in Colombia?

Senator DECONCINI. Yes, and whether or not that is an increase and whether or not, in your judgment, they are exporting more or less. My concern is that we do not know; those of us up here do not know. If you do not know, I think we are in real big trouble as a government.

I realize nobody knows for certain, but if we do not have some kind of handle on it——

Mr. LAWN. We certainly have a handle on it, sir, but as I said, my purpose in coming was to talk about the budget, not to talk about Mexico or Colombia. I can get that information and have it available during our next meeting.

Senator DECONCINI. All right. We will do that next week or whenever we set up the other hearings. And I take it, based on my questions here, that those hearings should be closed?

Mr. LAWN. Yes, sir. If you want specificity, we can only do that in a closed hearing.

Senator DECONCINI. We will do that. Thank you. If there are no further questions, thank you, Mr. Lawn, for your time, and I apologize for having to leave you while I went to vote and keeping you waiting. Thank you, sir.

[The statement of Mr. Lawn follows:]

DEPARTMENT OF JUSTICE
DRUG ENFORCEMENT ADMINISTRATION

STATEMENT OF THE ADMINISTRATOR
JOHN C. LAWN
BEFORE THE SENATE COMMITTEE ON THE JUDICIARY

Mr. Chairman and Members of the Committee:

I am pleased to appear before you today in support of the Drug Enforcement Administration's authorization request for fiscal year 1989.

I need not describe to you the scope of the drug problem in America today. As you are well aware, drug abuse, drug trafficking, and drug-related crime have serious and direct impact on us all.

The magnitude of the problem has heightened our determination to do everything possible to reduce the supply of and demand for illicit drugs in this country. But, in order for our efforts to succeed, resources are necessary to support our determination in both supply and demand reduction activities.

DEA's commitment to reducing the nation's drug problem is reflected in the President's 1989 budget request currently before Congress.

Investigative efforts by DEA have resulted in dramatic increases in arrests, drug seizures, and asset seizures and forfeitures. DEA arrests of major violators have increased by 195 percent since 1981. Cocaine removals increased 1,822 percent and heroin removals increased 70 percent during this period. Clandestine laboratory seizures increased from 184 in 1981 to 682 in 1987, a 271 percent increase. And finally, DEA's heightened focus on financial investigations resulted in asset seizures in 1987 valued in excess of $500 million--an amount larger than our entire appropriation for 1988. As these statistics indicate, DEA has been very successful in carrying out its enforcement mission.

DEA's 1989 budget request continues our long-standing strategy to enhance significantly our technological capabilities by concentrating on logistical support, intelligence systems, and investigative equipment. These resources will provide DEA with the tools to continue and improve the efficiency, productivity, and safety of DEA's workforce.

In 1989, DEA is requesting 5,887 positions (of which 2,935 are special agents), 5,657 workyears, and $538.1 million in order to carry out its drug enforcement responsibilities. This represents a net increase of 177 positions (including 60 special agents), 78 workyears, and $44.0 million over the 1988 appropriation enacted in December 1987.

DEA's enhancement requests fall into four major funding initiatives, derived from our 1989 strategic plan. These initiatives are as follows.

The first is to modernize DEA's air wing and technical support program. DEA requests 47 positions and $19.1 million to enhance DEA's air program to a level that will meet both foreign and domestic commitments during 1989, and to increase radio support throughout the 19 domestic divisions.

As part of this initiative, DEA is requesting funds for 2 fully equipped turbo aircraft for foreign operations; 9 single engine replacement aircraft and 2 twin engine helicopters for DEA's domestic fleet; 20 special agent pilots; 2 support positions; 25 radio technicians for domestic field offices; and enhanced computer capabilities at the Airwing in Addison, Texas.

This increase in aircraft will enhance DEA's Latin American initiatives, which include chemical interdiction and laboratory seizure operations. The domestic aircraft will replace non-serviceable and obsolete airplanes and helicopters that can no longer safely fulfill DEA's mission requirements.

The second initiative is to complete the conversion of DEA's information systems and to enhance the El Paso Intelligence Center (EPIC). DEA requests 12 positions and $1.7 million to standardize all of DEA's information systems and 64 positions (including 24 special agents and 19 intelligence analysts) and $7.3 million to expand our El Paso Intelligence Center into a tactical all source intelligence center as directed by the National Drug Policy Board. This budget enhancement will enable EPIC to provide more actionable, tactical intelligence to law enforcement agencies throughout the country.

As you recall, the Anti-Drug Abuse Act of 1986 authorized $7.5 million to move the El Paso Intelligence Center from its current location in El Paso to Fort Bliss. I am pleased to report to you that the construction of EPIC's new building is proceeding on schedule, and that it should be ready for occupancy during the fall of 1988. I am also pleased to inform you that the new building will be named the Camarena Building in honor of Special Agent Enrique Camarena, who was killed in the line of duty in February 1985.

The third initiative is to immobilize major drug traffickers and their trafficking organizations by concentrating resources on Asset Removal Teams and financial intelligence. DEA requests 44 positions and $1.7 million to augment Asset Removal Teams in DEA field divisions, to provide legal support to DEA's asset removal

activities, to enhance the financial intelligence operation, and to improve DEA's seizure/forfeiture ratio.

This initiative contains 25 positions (of which 16 are special agents) to create Asset Removal Teams in domestic field divisions; 5 intelligence analysts to support DEA's Financial Intelligence Program; and 13 positions to provide legal and administrative support for DEA's Asset Removal Program.

Asset forfeiture provisions, expanded and improved in both the Comprehensive Crime Control Act of 1984 and the Anti-Drug Abuse Act of 1986, are among our greatest drug law enforcement tools. Asset forfeiture allows the Federal Government to take the ill-gotten gains of drug traffickers and drug trafficking networks, which destroys their economic power structures and, in turn, use those resources to fund drug law enforcement activities.

DEA's Asset Removal Teams allow DEA to fully exploit the asset forfeiture laws. Experience with the current Asset Removal Teams demonstrates that they will contribute considerably to DEA's asset seizure and forfeiture potential. Those offices with Asset Removal Teams in place during 1987 significantly increased their performance by seizing 65 percent more assets than during the previous year compared with 15 percent in those offices without these teams.

The fourth initiative is to strengthen field and Headquarters administrative infrastructure by enhancing support staff and equipment in technical areas. DEA requests 31 positions and $4.2 million to provide additional staffing strength to administrative areas whose workload has increased in response to the requirements of DEA's enhanced investigative capabilities.

The resources in this request will lead to more drug enforcement statistical accomplishments. But DEA's accomplishments cannot be measured in terms of statistics alone.

Under the guidance of the National Drug Policy Board, we have expanded our interagency cooperative efforts at the policy and operational levels. DEA actively participates in the Organized Crime Drug Enforcement Task Force program and Operation Alliance along the Southwest border. We hold a leadership role in the DEA State and Local Task Force program, and the Domestic Cannabis Eradication/Suppression program. Each of these ventures serves to enhance interagency cooperative spirit and effectiveness.

In the international arena, DEA has significantly enhanced supply reduction initiatives by embarking on a coordinated effort to disrupt the production and transshipment of illicit

substances. This effort in Latin America complements other international enforcement efforts such as Operation BAT in the Bahamas and Turks and Caicos Islands, part of the United States/Bahamian Drug Task Force created by the Anti-Drug Abuse Act of 1986.

In addition to international cooperative enforcement operations, DEA encourages and supports other multilateral activities that foster international drug control. DEA participated in the United Nations International Conference on Drug Abuse and Illicit Trafficking in Vienna in June of 1987. DEA also continues its active participation and leadership in the International Drug Enforcement Conference (IDEC), formed in 1983 to facilitate cooperation and communication among the Latin American countries and the United States. The fifth IDEC meeting was held in March 1987, in Brasilia, Brazil. Just over a month ago the sixth conference was held in Guatemala City, Guatemala. About 95 officials from 18 IDEC member countries, four observer countries, and INTERPOL participated in the meeting. This year's meeting focused on enhanced and coordinated police action in the region, law enforcement's role in demand reduction, and legal processes and legislative reforms.

DEA's success in our nation's war on drugs speaks for itself; however, the continued escalation of drug trafficking and drug abuse underscores our belief that enforcement is only one

part--albeit an essential part--of a multi-faceted national drug strategy.

I have said repeatedly, education and prevention play a primary role in the anti-drug effort. I recently expanded DEA's role in this area by placing demand reduction coordinators in each of DEA's 19 field divisions. These coordinators ensure that the anti-drug message reaches target audiences in every corner of the nation. We continue to stress the health-related consequences of drug use for the individual user and the risk that drug abuse poses to society overall. We also emphasize the causal relationship between drug use and crime. We see this not only in the escalation of street crime and homicide in our country, but also in other drug source and drug consuming nations.

With the requested increases in 1989, the strength of DEA's investigative workforce will have grown from 1,940 special agents in 1981 to 2,935 in 1989 -- a 51 percent increase. Direct appropriations will have increased from $216.2 million in 1981 to $538.1 million in 1989 -- a 149 percent increase.

We are making progress in the war on drugs. Our agents, trained along with those of the FBI at the FBI Academy in Quantico, Virginia, are a highly motivated and skilled cadre of dedicated professionals. They risk their lives on a daily basis

in the fight against drug trafficking and abuse. The recent tragic deaths of DEA Special Agents Paul Seema and George Montoya in Pasadena attest to the sacrifices made by these brave men and women.

DEA's 1989 authorization request represents approximately 14 percent of the Federal Government's drug-related expenditures. With this 14 percent, DEA will contribute significantly to the nation's fight against drug trafficking and abuse. Experience demonstrates that a small investment in DEA resources yields substantial returns: from 1981 through 1987, domestic special agents on-board increased by 34 percent, while arrests increased 64 percent, convictions rose 122 percent, and drug removals increased as much as 1,822 percent. Given this rate of return on past DEA investments, I strongly believe that DEA's request will be money well spent.

Mr. Chairman, I appreciate this opportunity to discuss DEA's budget request. I will be pleased to answer any questions you may have.

Senator DECONCINI. The committee stands adjourned.
[Whereupon, at 4 p.m., the committee was adjourned.]

DEPARTMENT OF JUSTICE AUTHORIZATION FOR FISCAL YEAR 1989 FEDERAL BUREAU OF INVESTIGATION DIVISION

TUESDAY, MAY 17, 1988

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The committee met, pursuant to notice, at 10:07 a.m., in room SD-226, Dirksen Senate Office Building, Hon. Patrick J. Leahy (acting chairman) presiding.

Also present: Senators Thurmond, Metzenbaum, DeConcini, Simon, Grassley, Specter, Heflin, Humphrey, and Reid (ex officio).

OPENING STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Judge, we are delighted to have you here. I apologize for our starting a couple of minutes late. As you know, we have the Department of Defense authorization bill on the floor. That has been going on for a few days and we have had several votes.

But I am glad to welcome you here this morning, and I welcome you on behalf of Chairman Biden. I am pleased to report that he is recuperating quickly. We are looking forward to his speedy return to the Senate, especially those of us who have filled in on different things.

Now, you last appeared before this committee at your confirmation hearing in September. I referred to it at that time, probably, in light of the Pope's visit to the United States, as more of a canonization hearing than a confirmation hearing.

In any event, it was an upbeat meeting, and we discussed the role of the FBI Director in balancing the needs of the Nation's political leaders and the Bureau's independent law enforcement mission. We discussed your responsibility for setting priorities in the Federal Government's effort to combat crime.

We also discussed the relationship between the Congress and the Director. We agreed that there has to be a vigorous collaboration between you and the committee if the Bureau is to enjoy public support.

We all knew that you had a great deal of homework ahead of you, and I remember warning Mrs. Sessions that she was probably going to see less and less of you as you studied the ins and outs of the Bureau.

Unfortunately, however, there were some pitfalls awaiting you that none of us could have anticipated. None of us knew that you

would have to conduct an internal review of what I think was an incredibly mishandled investigation of American citizens who disagreed with the administration's policy toward Central America.

The *CISPES* case has been a frightening deja vu. Most of us thought the FBI could no longer investigate private citizens exercising their first amendment rights without a valid foundation and restrained methodology.

We were appalled to learn that racist attacks were being perpetrated within the Bureau against one of its own agents. The inexcusable treatment of Donald Rochon is an embarrassment to the Bureau. It reminds us that even in the agency that is charged with defending the rights of all Americans, our fight for equal justice is not yet won.

We also learned that the Bureau was utilizing investigative techniques that seemed more likely to harass innocent Americans than to help the Bureau combat crime. What I am referring to specifically is the Bureau's use of librarians for counter-espionage purposes. That seems ineffective, at best, and to some of us with backgrounds in law enforcement, laughable, at worst. But, really, it is a direct threat to the freedoms we in this country cherish.

Now, Judge Sessions, I would hasten to add on the record you are not responsible for initiating these activities. But your success, as you know, as FBI Director is going to be measured by your ability to stop any abuses of the FBI's authority, and your tenure will be judged by the steps you take to ensure that the FBI does not allow events like these to occur.

The committee, of course, is responsible for ensuring that you meet this test. We stand ready to help you in any way we can. As I told you last September, we can accomplish a great deal for the people of this country when the Congress and the FBI work together, especially considering the fact that there is a great deal of respect for the FBI on both sides of the aisle.

But I mentioned before, and we will go into this at some length during this hearing, that I do have very grave concerns about the library awareness program, about the Donald Rochon matter, and about the CISPES investigation.

Before we go to an opening statement from you, sir, I would yield first to Senator Metzenbaum, then Senator Reid.

Senator METZENBAUM. I have no opening statement, but I would say that I would hope that the Judge in his statement would address himself to the problems, if any, that the FBI has encountered, and you personally as the head of the FBI have encountered by reason of the constant problems that are to be found at the head of the Justice Department, the Attorney General's situation. It may not have affected your activities at all, but if it has, I would hope you would cover the subject.

Mr. SESSIONS. All right, sir.

Senator LEAHY. Senator Reid, and we welcome Senator Reid to sit in on this committee meeting.

Senator REID. Mr. Chairman, I appreciate very much your allowing me to participate on the committee this morning. I have had a number of conversations with Chairman Biden before he became ill.

I am here principally because of the resolution that was passed in the U.S. Senate on October 18, 1986, which, in effect, called for hearings in this committee on procedures for protecting citizens against improper investigative and prosecutorial practices.

Mr. Chairman, as I indicated, I have had a number of conversations with Chairman Biden and we were in a position—in fact, we had a meeting set with Senator Biden in the week that he became ill with myself, Senator Moynihan, Senators Armstrong and Pryor.

I am, first of all, Mr. Chairman and Judge Sessions, not here to rehash the Claiborne matter. As far as I am concerned, that is history. But I am here to talk about some things that I think are important to the people of the State of Nevada and to this country.

As an example, I am sure you are aware of the "60 Minutes" program this past week where they talked about, again, individuals being targeted for political reasons. The instance that "60 Minutes" used this past week was a Catholic pacifist group whom the FBI had targeted.

As you may recall, one of the FBI agents who was formerly a priest or studying to become a priest refused to do that. Anyway, I will not go into detail there, but it, to me, indicates that the problem with the FBI is not something that with the coming of Judge Sessions, suddenly the improper activities stopped.

I think that the FBI is a large bureaucracy, and it is going to take all the skills that we all believe you have to get to the bottom of this. The issue of the FBI exceeding its authority, as I have indicated, is not a new one. We are all aware of charges of FBI misconduct during the Hoover era. Still, the issue just does not seem to go away.

Time and time again, my colleagues have argued about the need to check FBI abuses. Perhaps one of the most compelling arguments was offered by Senator Moynihan when it was revealed that the FBI permitted con men to target him, not only Members of Congress, but Patrick Moynihan.

There are ample statements that he has made in the past about things that relate to him, but I would relate part of a statement that Senator Moynihan gave in October 1986 when he said, "I am particularly concerned that the superb memory of my dear colleague, Jacob Javits, be attended to in this regard," because he felt very hurt by this action, a man of impeccable integrity to find himself caught up in this squalor.

Now, I, too, am concerned about some of the abuses that have taken place, Mr. Chairman, and Nevada suffered through the reign, through the tenure of a man by the name of Joseph Yablonski, who was head of the FBI in Nevada. He used his position as chief of the Nevada FBI to investigate and intimidate many of Nevada's finest public servants.

For example, presently the attorney general of the State of Nevada, a Republican, when he decided to run against somebody that Yablonski liked, Yablonski illegally ordered all of his military records to be reviewed. This is the same man, Yablonski, who—there was a mistake made by a bank in Las Vegas that credited his account with $40,000 extra. He kept the money there for 3 years; he did not return the money.

Here is a man that is head of the FBI; here is a man who is investigating organized crime in casinos in the State of Nevada, which he should be doing. But what is he doing in the meantime? He and his underlings are out getting complimentary privileges in all the hotels—well, I should not say all the hotels, but in hotels in Nevada.

Here is a person, it is alleged, Mr. Chairman, who—the FBI had a kitty, a petty cash fund of $2 million that they spread around the State of Nevada to entrap people, and entrap them they did.

There are many examples; I will use only one. A very fine black State senator, a man who we all thought had impeccable credentials, never question about his integrity, had a wife that was dying. One of these FBI agents went to him, of course, in disguise and offered him so much money that this poor, sick man with a sick wife took the money, and he was convicted of a felony.

I submit that the FBI—the reign of terror that took place in the State of Nevada should be looked into. Now, if it were only the State of Nevada, with all the problems that the State of Nevada has had with organized crime—and I was chairman of the Nevada State Gaming Commission and I am aware of those, and I recognize the FBI had to be involved because without the FBI, we could not have done some of the wiretap surveillance that was necessary to ferret out some of the nefarious people that were involved there.

But there are things that went on there that we should know about, and if it were only Nevada, then we could forget about it, but we are talking about a man like Bill Armstrong from Colorado. He and I have had numerous conversations. He cannot understand why things are not looked into.

This is not a partisan issue; it is a bipartisan issue. Pryor—I was walking over here and was asked what I was going to come to do. Max Baucus from Montana said, would you voice my concern about some of the things the FBI has done?

So this is not something that I dreamed up in the middle of the night. I voted against Judge Webster. I was the only person to vote against his confirmation to become Director of the CIA. I did it because I thought he had ignored some of these problems.

I did it as a matter of protest to say you may think that your record is impeccable, but it is not because you as head of this vast bureaucracy simply have not looked into some of these things that Senators Armstrong, Moynihan, Pryor, Reid, Baucus and others feel should be looked into.

Now, again, I stress, forget about Judge Claiborne. He has been impeached, he has been convicted of a crime, he has been to jail, he is out. So we can forget about that. I think that what I am concerned about is that there is a lot of time gone by and we need these things looked into while they are somewhat fresh.

Director Sessions—and I again appreciate very much Chairman Leahy and Senator Kennedy allowing me to be part of these proceedings. I know that you personally would never put your stamp of approval on some of the things that have gone on in the past, but I think that you need to look into some of the things that have gone on in the past because there is a large segment of the U.S. Senate that is concerned.

I feel, and I think I can speak for the men that I just mentioned, we need something done to clear the air. Now, I recognize, Mr. Chairman, that the resolution that was passed directed this committee to do something. It did not direct the head of the FBI to do something.

But I think you, with the record that you come with, which is one of integrity, hard work—I think that at such time as you leave the FBI that this is something that you should be able to say: I looked into this and here is what I was able to find.

Thank you very much, Mr. Chairman.

Senator LEAHY. Thank you, Senator Reid.

Senator THURMOND.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Chairman, I am pleased to be here today as the Judiciary Committee continues authorization hearings for the Department of Justice. Judge Sessions is present to discuss requests pertaining to the Federal Bureau of Investigation. I am most interested in his testimony.

The FBI is requesting additional funding and positions to enhance efforts in areas which are matters of national priority. These areas are organized crime, drug investigation, counter-terrorism, foreign intelligence, and white collar crime.

Without question, crime is a major concern to all Americans. The responsibility for investigating major Federal crimes falls within the domain of the FBI. To stop crime, prosecutions must continue to go forward.

However, a prosecution is only as good as the evidence upon which it is based. Therefore, the investigations conducted by FBI agents in the field are critical to efforts to successfully prosecute and reduce crime.

The result of decreased crime is the saving of human lives and the protection of property. Only by continuing to block the criminal element can we truly hope to decrease crime.

I commend you for your continuing efforts in this area, Judge Sessions, and I look forward to hearing your testimony. The Armed Services bill is on the floor and I have got to participate in some of that and I may not be able to stay for the entire hearing, but I will read your testimony. We are glad to have you with us today.

Mr. SESSIONS. Thank you, Senator.

Senator LEAHY. Senator DeConcini.

Senator DECONCINI. Mr. Chairman, thank you, and good morning, Judge Sessions.

Mr. SESSIONS. Good morning.

Senator DECONCINI. I thank you for being here. I think this is an important process and we welcome your coming here and the accessibility of the FBI to the members of this committee and the Senate.

When you last testified before the committee in September of last year, the Federal Bureau of Investigation was in need of a new Director. You have fulfilled that need quite well, in my judgment.

I know from your background and from what Senators have said here, including Senator Reid, that you will take some of these problems seriously and review them. I thank you for that.

During your confirmation, Judge Sessions, I had an opportunity to question you about the many activities of the FBI. Included in our discussion were reviews of the FBI activities in the areas of organized crime, drug investigation, counter-terrorism, white collar crime, interagency cooperation, civil rights, and other matters.

I recently reread some of the transcript from that hearing. It will be interesting to see if your views have been altered by recent experience. I am very interested in, of course, all of these areas, but particularly organized crime and drug investigation, and the interagency cooperation that you feel has been implemented during your tenure, and I realize that that has not been very long.

I have learned from briefings that I have had by the FBI that in recent years, as you have approached the fighting of organized crime you have had to keep up with the change in technique utilized by the criminal element. The crimes engaged in for illegal profits have been refined a great deal and technology has helped criminals as well as law enforcement. I am interested in learning how the requested increase in personnel, technical support, and equipment will be used to offset some of these developments.

I am also interested in learning of the Bureau's plan to implement additional personnel and support to combat the ever-increasing threat that we face in this country from drugs.

Lastly, I am concerned with the area of interagency cooperation. I feel that you have a great opportunity to demonstrate your capabilities with a renewed vigor and effort to see that other agencies understand the FBI's primary mission. Furthermore, you have the opportunity to demonstrate the willingness of the FBI to cooperate with other agencies both on the Federal level and, of course, on the State level.

At first blush, the budget figures appear to be reasonable. Yet, I, for one, would like to learn more about the existing investigations that the Bureau has. That may necessitate a closed hearing or others hearings.

But I welcome you, Judge Sessions. I think you have a tremendously difficult job. I know of no greater job in law enforcement than yours and that of the Attorney General. The agency that you had under the Attorney General is so paramount to our commitment in this country towards organized crime and reduction of drug trafficking that I welcome working with you.

I think this committee, Judge Sessions, is not here to be an adversary, but to be of assistance to you. That means you have to have confidence in us, and if you do not, we can talk about that, and there may be some reasons. If you do, I think you will get the support that you are looking for for your agency.

Thank you, Mr. Chairman.

Senator LEAHY. Thank you, Senator DeConcini.

Senator SIMON.

Senator SIMON. Yes, thank you, Mr. Chairman.

I just want to join in welcoming Judge Sessions. I think the feeling on the part not only of members of the committee, but Members of the Senate, is a very good one toward the leadership you are providing.

We are interested in what we can do to strengthen our war on drugs and organized crime. At the same time, there is that fine

line. How do we at the same time protect the civil liberties of people? I will be directing my questions into both of those areas, but we welcome you here and we appreciate the job you are doing.

Thank you, Mr. Chairman.

Senator LEAHY. Thank you.

Well, you have been appropriately lectured here, Judge Sessions. It is your turn to do the same to us. Go ahead, sir.

STATEMENT OF WILLIAM S. SESSIONS, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION, ACCOMPANIED BY OLIVER B. REVELL, EXECUTIVE ASSISTANT DIRECTOR OF INVESTIGATIONS, AND JOHN D. GLOVER, EXECUTIVE ASSISTANT DIRECTOR OF ADMINISTRATION

Mr. SESSIONS. Before I proceed with my comments, I might add in response to Senator DeConcini and to the Chair that I do feel that the committee is here in an affirmative stance to assist the Bureau, and I have neither perceptions nor feelings in any way that detract from that.

The support of this committee is extremely important to the Bureau. Understanding of the Bureau's programs by this committee and our need to explain them better is an oversight function which I believe is extremely important. So I am grateful to have the opportunity to be here this morning and to again have an opportunity to talk with you about these particular areas.

I hope that in response to your question, Senator DeConcini, about the questions posed at the confirmation hearing that we have been responsive. I know there are some areas where we have not and I have not, and I shall seek to cure that. But I do apologize for those and my own oversight.

Mr. Chairman, this is my first opportunity to represent the FBI before this committee to review the FBI programs and related budget and oversight matters. While I intend to recount several accomplishments achieved during fiscal year 1987, I want to take this occasion to review the program priorities and the goals the FBI has identified for the coming and future fiscal year, as well as some recent initiatives I have undertaken to ensure that we meet our goals.

I sincerely believe that achieving these goals can be facilitated through a continuing spirit of cooperation between the FBI, this committee, and other committees of the Congress. This spirit of cooperation has been exemplified in recent months when my staff has been afforded the opportunity to brief the staff of this committee on issues ranging from terrorism to the use of automated criminal history records.

In addition, we are in the process of fully and completely responding to several of the committee's questions regarding the Bureau's equal employment opportunity policies and the status of investigations and litigation brought by Special Agent Rochon, who made allegations of racially discriminatory conduct by Special Agents of the FBI.

Since last year's hearing, the FBI has initiated several new national programs to augment and improve both our drug and our organized crime investigative capabilities. As an example, I recently

directed the establishment of a demand reduction coordinator in each FBI field office.

In August 1987, in recognition of the alarming growth of organized drug trafficking activities, drug investigations were added as one of our national priority programs, joining organized crime, counter-terrorism, foreign counter-intelligence, and white collar crime.

In addition to our national priority programs, the FBI continues to diligently pursue our fugitive and our general crime programs, which include kidnappings and bank robberies. These are the programs which have long served as the strong and important foundation for the FBI's mission and which brought the FBI's reputation as the premier law enforcement agency in the world.

This hard-earned recognition is no longer limited to domestic issues. Today, the Bureau's jurisdictional parameters include international responsibilities, and the FBI must contend with the sophisticated apparatus of drug cartels, terrorist organizations, and intelligence officers of hostile governments.

The challenge to our investigative capabilities is unprecedented in terms of size and complexity. For example, while the INF Treaty may portend a safer world, it could present considerable resource implications for our mission of protecting national security interests.

In the interest of time, I have submitted my full statement for the record. I would, however, like to briefly review just a few of the FBI's investigative accomplishments during fiscal year 1987.

In the organized crime program, fiscal year 1987 saw the successful prosecution of the LCN Commission case. Seven current or former LCN members were convicted and sentenced to 100 years of incarceration. In addition, the FBI continued its effective pursuit of other La Cosa Nostra members and their enterprises, with 696 indictments and 679 convictions or pre-trial diversions.

Implementation of our newly developed national organized crime strategy should ensure continued success against the LCN. This strategy recognizes the LCN as a national conspiracy and combines the Racketeer Influenced and Corrupt Organization—that is, RICO—and the Enterprise investigative theories into an expanded investigative and intelligence program that will help to address, among other things, LCN control of certain unions and certain businesses.

The drug investigation program is separate from the organized crime program and is primarily concerned with international drug trafficking groups, including Italian, Colombian, and Mexican cartels, and numerous Asian organizations.

In fiscal year 1987, often in cooperation with DEA and other Federal, State and local agencies, the drug investigation program achieved over 3,400 indictments, 2,800 convictions, $61.7 million in seizures, and $35 million in forfeited assets.

To these impressive statistics, we can add the March 31, 1988, arrest of over 200 members of the Sicilian Mafia in the United States and abroad for drug trafficking violations resulting from an investigation that required substantial international police cooperation.

The same degree of cooperation is the very foundation of the recently initiated FBI–DEA joint drug plan. FBI and DEA agents are working together to attack major Colombian, Mexican, and Asian drug trafficking organizations in six cities identified as the principal drug distribution centers in the United States.

Charged with providing general supervision over the Drug Enforcement Administration, I am committed to ensure that the goals of this combined drug investigation program are, in fact, met.

Another program benefiting from foreign cooperation is the counter-terrorism program. Successful FBI investigative efforts prevented four terrorist incidents in fiscal year 1987. Investigations into terrorist attacks on U.S. persons and interests abroad were also conducted. In this regard, credit must be given to the coordination of efforts and to the intelligence gathering that supports the counter-terrorism program.

In recognition of its expanding role in international affairs, the FBI in 1987 established the Office of Liaison and International Affairs, which, among its many responsibilities, oversees the FBI's 15 legal attaché offices located worldwide and represents the FBI with Interpol.

The FBI also recognizes the vulnerability of our open society to the efforts of intelligence officers of hostile nations who pursue our Nation's most vital military and technological secrets.

The John Walker spy ring case in 1986 heightened our awareness that foreign intelligence officers were recruiting not only anti-American idealogues, but a new and perhaps more dangerous foreign asset as well; that is, the people who spy for cash, secrets-for-cash spies, who betray this country for money.

To sustain our successful efforts, strong cooperation among the U.S. intelligence community, as well as with agencies responsible for technology transfer offenses and other related offenses, will be required.

Now, in the domestic area the FBI's white collar crime program, which is responsible for investigation of government fraud, public corruption, and financial crimes, deserves recognition for the approximately 4,400 individuals who were convicted as a result of investigations in fiscal year 1987.

White collar crime investigations included the fraud-bribery investigation of the Wedtech Corporation, which resulted in 19 indictments, and the investigation of the alleged widespread fraud in the Texas savings and loan industry.

In fiscal year 1987, civil rights investigations accounted for 47 Federal convictions, including two members of the Aryan Nation for the murder of Denver radio personality Alan Berg. The Bureau also conducted investigations of racial violence at Howard Beach, NY, the Citadel, and the civil rights march in Forsyth County, GA.

I previously mentioned the Donald Rochon matter. In that regard, I want this committee to know that one of my highest priority goals as Director is to ensure that the FBI always maintains equal employment opportunity in the manner expected of us by the American people.

Since this is a matter of deep concern for me personally, I have made a total commitment to reassess and improve our EEO pro-

gram. This includes all aspects of equal employment opportunity, from hiring to training to promotions.

I have personally directed a number of initiatives that have been undertaken to help accomplish this goal. These include an examination of all aspects of EEO within the FBI to determine if additional effort or policy changes are needed, the retention of an outside firm to assist in our hiring effort in the minority communities, the adoption of a regional recruitment concept in some areas of the country, and meeting with minority organizations who can help us in recruiting.

Now, these initiatives are not being undertaken because I believe the Rochon incident is indicative of systemic discrimination. On the contrary, these and other initiatives are being undertaken to satisfy me that everything possible is being done to ensure discrimination does not find a place in the FBI.

I am disappointed that allegations of discrimination have been made against the Bureau, and I am equally concerned by those who have chosen to pre-judge the Bureau as an agency insensitive to racism. I can assure you that the FBI will vigorously enforce the laws protecting the civil rights of Donald Rochon and every other citizen of the United States.

Finally, in my short time as Director, I have become very aware of the needs of the dedicated complement of special agents who are devoting their lives to public service in the Bureau. A great many of these special agents must be assigned to work in high-cost-of-living areas such as New York City, where the FBI's salary structure has in many instances fallen behind the wage and benefit packages for local police agencies.

As a part of our goal of improving the adverse conditions that necessarily result from this situation, and in response to a Congressional mandate, a joint cost of living study was conducted in the Office of Personnel Management and the FBI. This study assessed, among other things, the adverse impact of New York's high cost of living on FBI operations, recruitment, retention, and agent rotation.

The study was furnished to Congress on March 31, 1988, and I would emphasize that the problem it addresses is very real and merits your very serious consideration. In addition, the FBI has already implemented certain management initiatives and is studying others to a small degree that may help alleviate this critical circumstance.

Now, to meet the fiscal year 1989 needs, the FBI is requesting a total of $1,503,307,000, 22,988 positions, and 22,044 direct work years. This represents a net increase over the 1988 base of $92,047,000, 532 permanent positions, and 71 direct work years.

The requirement for more positions and technical support equipment is mandated by the expansion of our jurisdictional parameters, as well as the expanding volume and complexity of criminal problems confronting us.

An examination of our priority programs confirms the need to conduct more complex and challenging investigations in order to successfully combat the highly sophisticated plans and operations of a variety of criminal enterprises.

Mr. Chairman, this concludes my prepared remarks and I shall be happy, of course, to respond to any questions that you or the Senators may pose.

Senator LEAHY. Thank you very much, Judge Sessions. Incidentally, I am pleased to see your comments about the study on differentials in salaries to compensate for the cost of living in high-cost areas. That is something that I have been urging for nearly a decade on this committee and I wish you success in that. I think it is absolutely important.

Mr. SESSIONS. Well, I appreciate your help in that regard, Senator. It is alarming across the country when you look at these high cost-of-living areas what compared figures there are that relate to other law enforcement agencies and the salaries and beginning salaries of the FBI. It is difficult.

Senator LEAHY. I will ask the staff to run the clock. We will do this on 10-minute segments per Senator for questions.

During your confirmation hearing, you told us that neither the FBI nor the Justice Department Office of Professional Responsibility conducted any kind of a review of the FBI's role in the Iran-Contra affair, even though, as the public reports from the various investigating committees have shown, there were contacts between the FBI and the National Security Council staff.

You said, as I recall, that you would consider having an appropriate review conducted. Now that the independent counsel has obtained indictments in the case, are you planning to initiate a review of the Bureau's role in the Iran contra affair?

Mr. SESSIONS. What I intend to do, Senator, is to wait until those matters are, in fact, concluded, and totally concluded. I know that, for instance, there has been some testimony developed before the Congress in connection with the role played by the FBI in certain matters, but I would intend to wait until those matters have actually been completed before I do that.

Now, if it should be begun before that, I will appreciate your advice, but until the independent counsel has completed his work, I had not anticipated doing it, sir.

Senator LEAHY. By completion, do you mean 2 or 3 years down the road.

Mr. SESSIONS. I think that is correct. I think that, for instance—and we will deal with this in other circumstances or other discussions, but the Rochon matter, for instance, is in litigation now. The Perez matter is in litigation now, and I have tried very carefully to keep from impinging in any way upon those particular investigations.

It is very hard to begin any internal matter without having some effect, and certainly it is not easy when the Senate of the United States also wants to review those matters. And I do intend to do it, and I intend to do it when I perceive that it is time.

Senator LEAHY. I understand not wanting to interfere with an ongoing investigation, a court case. I understand that.

Mr. SESSIONS. Yes, sir.

Senator LEAHY. But if there are problems, can you really wait that long? I understand, for example, out at the CIA they appointed a special outside counsel to review the CIA's involvement in the

case rather than have to wait several years and come back and find there were things that should have been done in between.

Do you feel that the Bureau would benefit from such an outside counsel review, or do you really think that all this can wait the number of years that it might be necessary to have all the cases completed?

Mr. SESSIONS. I think the suggestion that you make, Mr. Chairman, is appropriate. I will discuss that with Director Webster about the procedure that he utilized and see whether that might not be applicable to the circumstances in connection with the Bureau.

But other than that, I have not changed my perception that the independent counsel and those functions should be allowed to work, and not in any way inhibited by an internal investigation.

Senator LEAHY. Nobody has suggested that they not be allowed to work, but let us take the Donald Rochon case. Here is a matter where if half of what has been in the press is true, if a quarter of what has been in the press is true, the FBI has a very serious problem of active racist activity on the part of some of its sworn agents.

An internal review of that cannot wait until after any prosecution or anything else, can it?

Mr. SESSIONS. Well, there are several things in connection with that. First of all, you know that some of the EEO matters were, in fact, completed in the Rochon matter and the decisions were made, and the Bureau has, in fact, complied with the findings in connection with that EEO matter.

There are three other pending EEO matters. There are three pieces of litigation, there is a grand jury, there is a Criminal Division investigation. All these matters overlay the circumstances that we are concerned about.

What I have done is, recognizing that those exist, I have undertaken, with what I would say is great dedication, to be sure that we look at every single facet of those EEO programs and of our own programs within the Bureau to be sure that we do not have racism and we do not have discriminatory conduct.

You say, well, how in the world can you go about that procedure without affecting Rochon? I would hope that if Rochon—if even a quarter, as you put it, of those allegations turn out to be true and correct in what we find from the trial of those cases and the hearings that are conducted, then I would hope that the fabric of the FBI and the review of those processes has stood us in good stead so that we will be able, then, to take within that context a review of what was done.

I know that there have been some EEO actions and there have been some administrative reviews that have been had. I was questioned about that before as to whether or not I thought those were adequate.

It is my place, as I view it, to be sure that those things do not happen again and that, in fact, there was proper review of them, and I shall do that.

Senator LEAHY. Thank you. There will be further questions on that. I will wait until my next turn around, but there is one other area I would like to discuss with you before my time is up, and

that is the CISPES investigation, the Committee in Solidarity of the People of El Salvador.

Mr. SESSIONS. Yes, sir.

Senator LEAHY. On February 23, the Senate Intelligence Committee held a public hearing on the FBI's investigation of CISPES and I attended that hearing. I am very concerned about the scope of the investigation of CISPES. I am concerned that the FBI cast its net so broadly that it lost sight of the problem that initiated the investigation in the first place.

In the process, I think the Bureau wasted some valuable time and resources collecting information on the lawful activity of U.S. citizens. Now, we are working with the Intelligence Committee to review the case and I understand that the Bureau's report on its internal inquiry will be completed soon.

Just right after the February 23 hearing, I submitted a number of questions that I wanted the Bureau to answer for the record. Just yesterday I received the answers to some of them. Does anyone know when I will get the answers to the rest of my questions?

Mr. SESSIONS. Are there some 19 of them, Senator?

Senator LEAHY. Yes.

Mr. SESSIONS. There are 14 of them, I believe, that we have answered fully. There are two that are answered partially and three that are unanswered—I beg your pardon.

Senator LEAHY. Yes. I think there are a few more than that, unless there are some more that came in that I am not aware of in the last day or so.

Mr. SESSIONS. Mr. O'Brien reminded me that I was speaking about answers that have been directed to the committee in connection with the Rochon matter. There were far more than 19 that you asked and they were directly related to the CISPES matter, and you asked when you might expect those responses to those questions.

What I have done, Senator, and I hope you are fully aware of this, was that I have undertaken a complete beginning-to-end review of the entire CISPES matter. You know that there were, in fact, in each of the 2 years that the investigation continued five agent years devoted each year to that, or approximately five agent years.

The review has now almost been completed, and that is an independent review. I anticipate that I will receive my report from that review group by the 25th of May, so we are right on the lip of having it. When that is done, I shall immediately undertake a complete review of what they have done and I will be prepared to answer to the appropriate committees of the Congress as to what my review finds about all those areas that we have investigated, what proposals I make and recommendations I propose for what be done. And I would presume that in that context, your specific questions can then be answered.

Senator LEAHY. What I am most interested in is a couple of things you may know the answers to now. Who gave final approval for the CISPES investigation? Do you know that?

Mr. SESSIONS. Again, there are many parts to the CISPES investigation. There were many different field offices involved. No, I do

not know now who gave specific authorization to specific things, but I will find that, I am sure.

Senator LEAHY. Do you know who was responsible for overseeing and managing the CISPES investigation?

Mr. SESSIONS. I know who is responsible, but I know that only generically. I do not know the specific people that were involved. I know that in the chain-of-command there are the ASAC's, the Assistant Special Agents in Charge, in the field. There are SAC's in the field, there are Deputy Assistant Directors in the FBI, there are Assistant Directors.

All that I know generically, but I do not know specifically at each stage, and you are entitled to know that and I will be prepared to tell you.

Senator LEAHY. I understand. Well, let me ask you this just so I understand the process. You had about 50 field offices involved in this investigation. I mean, this was a major investigation. This was not small-scale, like the Special Agent in Charge up in Burlington, VT, concerned about somebody crossing the border.

Mr. SESSIONS. Yes, sir.

Senator LEAHY. I mean, this was 50 field agents. When did the Director become involved in it?

Mr. SESSIONS. That I do not know.

Senator LEAHY. Okay. When in terms of time, money or scope should the Director become involved in an investigation?

Mr. SESSIONS. It depends on the type of investigation, the guidelines that are followed, and where his approval is required or where it can be done at a lower level.

Senator LEAHY. Would 50 offices be enough?

Mr. SESSIONS. Not necessarily so, Senator. It depends on the type of investigation. For instance, you know the type of agent years that we devote to some investigations, and you know that this in that term—and I say this cautiously, but it in terms of agent years is de minimis.

There were a grand total in the 2 years of 10 agent work years given to it. Again, I am not trying to be evasive at all. I will be delighted to answer those questions when I can.

Senator LEAHY. But would you not expect in an investigation that large that as Director, at some point, you would hear about it?

Mr. SESSIONS. Not necessarily, not necessarily.

Senator LEAHY. Let us, both of us, step back to a former professional life. You were a judge down in Dallas and I was prosecutor back in Vermont.

I read these press reports of this huge investigation going on, and we are all there sort of checking on what these people are saying. You know, what are these bomb-throwing Maryknoll nuns doing, and, what are some of the other things going on.

I mean, I would kind of scratch my head and say from a law enforcement point of view, something is wrong here. We have got bank robbers; assassination groups; major murders, and so on to deal with. Why is so much time being taken up on this investigation? Did not some of your field agents react that way?

Mr. SESSIONS. Well, I think that any time you try to pre-judge before you know—and if I were to answer your question, I would be pre-judging because I do not know, Senator.

Senator LEAHY. All right.

Mr. SESSIONS. And I intend to know fully and I intend to develop fully with you what I find from the investigation of that. When we talk about tremendous numbers of people who are involved, I know that those names have come out and I have read the same accounts that you have read, and seen them, and I know there is concern and I think it is legitimate concern and I intend to provide the answers.

Senator LEAHY. Well, I will not pursue this further, but one of the questions I am raising, Judge Sessions, is if this thing sort of took on a life of its own, and if it was getting overblown, at what point within the system should somebody stand up and say wait a minute, this is crazy.

I am looking for the person who can say the emperor has no clothes, the person who can say, hey, guys, do you really want us to do this, and know that that word would go all the way up to somebody in authority who can say, yes, you are right, we screwed up.

I do not expect the FBI to be perfect and never make mistakes. But I want somebody there, if a mistake is being made, to know that he or she can ask questions—and to know that those questions will go all the way up the chain of command and somebody is going to say, you are right, there is a mistake, let us stop, let us start over again.

I would hope that your investigation into the CISPES affair would, one, find out if there were mistakes made; two, if in the Bureau's system there was any kind of circuit-breaker which would allow somebody to say mistakes were being made, and if they did, did anybody pay attention to them.

Mr. SESSIONS. Well, you will remember that the review is required not only in the Federal Bureau of Investigation, but also in the Department of Justice, and that is required at specific time intervals and that is done. The Department indicated that there was no continuing basis for the investigation and it was ceased at that point.

I know what you are concerned about is as the investigation is going on as opposed to review, and I will try to be responsive to that.

Senator LEAHY. I am concerned that the only review was done by the press and not by the Department of Justice.

Mr. SESSIONS. Yes, sir.

Senator LEAHY. Senator Grassley.

Mr. SESSIONS. Good morning, Senator.

Senator GRASSLEY. Judge Sessions, since you are new to your position, I do not expect you to know all of the long-term interests of the members of this committee. I have had an interest in curbing white collar crime, and specifically government procurement fraud, in general, and fraud in defense contracts, in particular.

Could you tell the committee if you have any statistics that show that the Bureau's agents in the areas of its missions, and those that you propose to add, will return more money to the Treasury than the taxpayers spend to support them?

Mr. SESSIONS. That is accomplishable in our recordkeeping, and I will be glad to supply that for the record. I do not have that specif-

ic information at hand, but I will be glad to supply it for you and I will note it and supply it promptly.

Senator GRASSLEY. Okay, that is satisfactory.

Mr. SESSIONS. Thank you, sir.

[Information follows:]

Questions from Senator Grassley

Question: Could you provide us with statistics--and if you can here today, okay, but if you cannot, then I mean for the record--to show that the present full-time equivalent positions within the Division and those that you propose to add now save and will save more taxpayers' money than is spent to support these positions in the area of defense procurement fraud? I am just talking about defense procurement fraud here.

Answer: In response to your question concerning "savings" to be realized as a result of actions taken by the Defense Procurement Fraud Unit, I am providing the following information concerning recoveries:

- In Fiscal Year 1987, recoveries of $725,500 in fines, civil an criminal penalties, and restitution ordered were made. During that fiscal year, 65 workyears and $5.221 million were expended by the entire Fraud Section. Of the contingent staff, only about 18 percent of these resources were directly involved in defense procurement fraud.

- Thus far in the first half of Fiscal Year 1988, the following have been identified:

Fines, civil & criminal Penalties & restitution	$31,576,590
Cost Savings (attorneys fees and associated costs)	$10,818,406
Total	$42 394,996

Projected workyears of 65 and $5.725 million are anticipated being expended by the Fraud Section for this fiscal year. Of these resources, approximately, 23 percent are now directed to defense procurement fraud.

SENATOR GRASSLEY

Question 1

Are there any statistics to indicate that the Bureau's budget request for increased Special Agent manpower pertaining to fraud in the DOD contracting area will be worth the additional taxpayer expense necessary to support them?

Answer

Between 1984 and 1987, the FBI utilized a total of 306 Agent workyears for DOD fraud matters at an estimated cost of $25,347,000 (inclusive of all associated personnel and nonpersonnel costs). In return, the investigations over the same period resulted in a total of $152,487,335 in fines, recoveries, restitutions and forfeitures/remunerations being returned to the U.S. Treasury and an estimated $74,228,000 in potential economic losses prevented. At a returns-to-cost ratio of over six to one, DOD procurement fraud investigations are a cost-effective means of addressing not only a serious criminal problem but a serious drain on Federal funds.

Senator GRASSLEY. Would you comment on any problems that the FBI is having, or that you foresee, coordinating its anti-fraud efforts with the Defense Procurement Fraud Unit?

Mr. SESSIONS. In connection with white collar crime, as you well know, that is one of our major areas, and you know that this year we are seeking in connection with the budget an increase of 119 agents, plus 130 support. It is for the specific purpose of being sure that the drain from white collar crime does not continue.

You know that in the early years of the drug program, 1982 forward, that we took those positions out of the organized crime and white collar crime programs and general crime programs. As a result, there were less agent work years spent there.

We are now seeking to replenish those and to enhance those and to have very close coordination. That is a generic answer to a specific question.

Senator GRASSLEY. Okay. But is it possible for you to focus your anti-fraud efforts as they relate to the Defense Procurement Fraud Unit?

Mr. SESSIONS. In the Bureau?

Senator GRASSLEY. The Defense Procurement Fraud Unit within the Justice Department.

Mr. SESSIONS. I cannot tell you about specific coordination except to say that those are among the major programs; that is, defense procurement fraud, the supplying of inferior products, the price differentiation fraud problems created in defense procurement, and that those are priorities within our own white collar crime area.

Senator GRASSLEY. Okay. As you know, the Defense Procurement Fraud Unit was set up in 1982 to bring the efforts of the Justice Department's best lawyers together to have the resources in order to better confront the legal resources of the defense industry.

I have made the point in previous hearings that this unit had not really been producing as intended in its charter. So, I would like you to consider—for the future—whether or not your investigative functions are being coordinated properly with the specific charter of the Defense Procurement Fraud Unit.

I would turn my attention now to pornography legislation. I am very interested in the Bureau's efforts regarding enforcement of the Federal anti-pornography laws. Can you tell the committee about the state of relations between the FBI and the National Obscenity Enforcement Unit, which is a recommendation of the Attorney General's Pornography Commission and which is now part of the Criminal Division of the Justice Department?

I would like you to concentrate on any problems the Bureau may have encountered or may be encountering coordinating efforts with the N.O.E.U.?

Mr. SESSIONS. I have no idea that we are encountering any problems at all. I know we are devoting considerable agent power to that effort, and I will supply that particular information for the record, as I will be delighted to with your previous question, Senator, because I believe you are entitled to have that fully developed. I cannot tell you at this moment.

[Information follows:]

SENATOR GRASSLEY

Question 2

Are the FBI's efforts in Defense procurement fraud being satisfactorily coordinated with the DPFU?

Answer

FBIHQ has maintained a liaison representative at the Defense Procurement Fraud Unit (DPFU) since 1984.

As part of the liaison function, the FBI representative coordinates with the military investigative service representatives and the Department of Justice, Fraud Section, attorneys.

DPFU is formally notified of Department of Defense (DOD) fraud cases initiated and/or investigated by the FBI through dissemination of a Letterhead Memorandum that is prepared by the field offices after receiving an allegation of criminal wrongdoing. In particularly sensitive cases, the Chief of DPFU is orally briefed concerning the investigation. These notifications include not only those matters meeting DPFU guidelines, but includes other DOD fraud cases as well, thereby enabling DPFU to be aware of the subjects, allegations, and locations of FBI investigations. It often affords DPFU the opportunity to assume the prosecutive lead in FBI cases at the onset. (At the same time DPFU is notified, the appropriate DOD agencies are similarly notified that the FBI has initiated an investigation.)

After DPFU has selected which matters it chooses to become involved in, the FBIHQ liaison coordinates the investigative and prosecutive aspects of cases with the field. The liaison is designated as the person responsible for ensuring adequate resources and appropriate direction are afforded to DPFU-accepted cases.

Likewise, at the conclusion of DOD fraud investigations, the FBI normally sends a copy of a closing Letterhead Memorandum to the DPFU.

Senator GRASSLEY. Okay. Is enforcement of the anti-pornography laws a national priority of the FBI, or is it only a priority within the context of another national priority, such as organized crime?

Mr. SESSIONS. It is in the latter. You know the five priority areas that the Bureau has. I hope that we have been responsive to the pornography effort of the Department of Justice, particularly in the area of child pornography. You are aware of some of those prosecutions that have taken place, one of them that was highly noted and highly visible here in the Alexandria and Washington area.

Again, the resources that we allocate to those investigations are a matter of record and I will be delighted to supply them for you, sir.

Senator GRASSLEY. Considering that containment or eventual elimination of pornography is a top priority of many of us in Congress, and I trust also within the executive branch, do you believe that the Bureau has enough resources to devote to the fight against the pornography industry, and if not, what kind of resources would it take, including estimates of manpower, to accomplish the goals of the Attorney General's Commission on Pornography?

Mr. SESSIONS. Well, as you well know, it is very easy for me to say that our resources are inadequate. I believe that we have responded well, from what I understand, generally to the need of the Attorney General in connection with pornography.

I do know that when I meet with the U.S. attorneys, and I met with them in San Diego earlier this year, that there was some concern expressed specifically that they needed more support in the area of pornography investigations.I try to be responsive, we try to be responsive. Allocations of resources is always a difficult problem.

I would again be delighted to provide that estimate for you for the record, and I shall do that, sir.

[Information follows:]

Senator Charles E. Grassley

Question:

Senator Grassley was also interested in information concerning the Bureau's efforts in enforcement of the anti-pornography laws. He wanted to have an assessment of the FBI's relationship with the National Obscenity Enforcement Unit which was established at the Department of Justice upon the recommendation of the Attorney General's pornography commission. He wanted to know if there was coordination problems with this unit, which was part of the Criminal Division of the Department of Justice. While recognizing that enforcement of the anti-pornography laws was not itself a priority program of the FBI, the Director indicated that he would provide a response to indicate what the effort of the Bureau was in this regard, to make it a matter of record. He also indicated that with respect to this effort he would provide estimates as what resources were needed to be dedicated to the anti-pornography effort to accomplish the Bureau's goals and the intent of the anti-pornography laws.

Answer:

The FBI and the National Obscenity Enforcement Unit (NOEU) have had an excellent working relationship going back to April 1, 1987, when the NOEU became operational.

Since that time, the FBI has assigned one Supervisor at Headquarters to work with the NOEU staff to coordinate the Bureau's investigative strategy to deal with child pornographers and major dealers/producers of adult obscenity. The FBI maintains regular contact with the NOEU and a close working relationship exists.

Child pornography and adult obscenity investigations are priority investigative matters within both the Organized Crime and the Personal Crimes Programs. The Organized Crime Program (OCP) is one of the FBI's top five priority programs and the adult obscenity and child pornography investigations involving traditional organized crime are a very high priority within the OCP. Because of the importance of these investigative matters, the Bureau has conducted obscenity and child pornography training seminars in June, 1987 and January, 1988. Representatives from the National Obscenity Enforcement Unit, and other federal investigative agencies participated in the training.

The FBI is a full participant in the Federal Government's efforts against pornography and Sexual Exploitation Of Children and has increased the resources devoted to these investigations.

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The FBI has devoted sufficient resources to investigate child pornography and adult obscenity cases. In order to effectively maximize Bureau resources, FBI Headquarters has directed that these investigations be worked using a task force approach with other Federal, state and local law enforcement agencies, as needed. The FBI currently has the necessary resources to continue these investigations in an aggressive fashion with a goal toward successfully prosecuting those major distributors and producers violating the child pornography and/or adult obscenity statutes. The NOEU has been extremely helpful in providing prosecutive strategy assistance to the Assistant U.S. Attorneys who will prosecute these cases.

Senator GRASSLEY. Could you explain the Bureau's thoughts on the President's anti-pornography bill, S. 2033, and my bill, S. 2021, the Child Freedom from Sexual Exploitation Act?

Mr. SESSIONS. In preparation for the hearing today, in connection with S. 2033—that is, sexual exploitation of children—the proposed legislation in both bills will strengthen the investigative and the prosecutive potential for enforcement of the existing interstate transportation of obscene materials.

Senate bill 2021 recommends that the statutes be included as predicates for the Racketeer Influenced and Corrupt Organization statute, and I think that is sound. I think that it may well be that that is a major area where that type of application of RICO principles would be helpful.

We do not consider that either of the new proposed bills would cause any problems or interfere with our investigative responsibilities and we interpose no objection to that, and if called upon to respond to that, that is the way we would respond, sir.

Senator GRASSLEY. Thank you. Mr. Chairman, my timie is up.

Senator METZENBAUM [presiding]. Thank you, Senator Grassley.

Judge Sessions, I am going to start with you, but I may have to leave. There is a roll call on.

Mr. SESSIONS. All right, sir.

Senator METZENBAUM. Let me ask you the question I alluded to in my opening statement, and that is what problems, if any, has the FBI experienced by reason of the situation that presently exists at the Attorney General's office?

Mr. SESSIONS. That has been asked me on a number of occasions not in this body before, Senator, but it has been asked me by media persons from time to time, because I am sure they are intensely interested in what my relationship is with the Attorney General.

I have always answered them by beginning by saying at the time that I accepted or agreed to accept the nomination as Director of the FBI, I made it very clear, had a very clear conversation with the Attorney General concerning the carrying out of my oath and my responsibility.

He indicated that there would be no impairment of that in our relationship, and my relationship with Mr. Meese has continued on a day-in and day-out basis to be interactive and to be responsive.

There are some difficult problems that I could not solve and some of them have been alluded to here today; that is, interagency problems, MOU, memorandum of understanding problems. He has been of assistance to me there.

I have met with him on a continuing basis, week in, week out, one-on-one, generally once a week, sometimes once every 2 weeks if his schedule or my schedule will not allow it. So there has been no impairment personally.

As to the balance of that, I could not evaluate it. So far as I know, all of our functions continue energetically; they continue without impairment.

Senator METZENBAUM. I have additional questions, but I think I am going to leave and declare this hearing recessed. Senator Leahy ought to be back very shortly and the hearing will continue.

The hearing stands recessed.

[Recess.]

Senator METZENBAUM. Judge Sessions, I am concerned about the *Rochon* case and I am concerned about the action of the Latino FBI officials charging bigotry in the agency. If there were one person, I could understand it and say, well, maybe there is something we cannot explain.

But when I see that 280 of the FBI's 400 Latino agents join in the action charging discrimination, and then I see in a New York Times report of Mr. Rochon's matter that Mr. Miller was found guilty in an FBI administrative inquiry of forging certain materials sent to Mr. Rochon and then Mr. Miller was punished with a 14-day suspension without pay and that the white agents in the Chicago office chipped in to pay his salary for the 2 weeks, I say nobody has to spell out for me what bigotry is; I know it when I see it. That is bigotry.

My question is not the long-range procedures, not the investigation, not we are making an inquiry. What is the head of the department doing? What did you do when you saw this item about the white agents chipping in to pay Mr. Miller's loss of pay? What did you do when you saw that all he had was a 14-day suspension? That is laughable.

What did you do when you saw that 280 FBI Latino agents joined together? That takes some courage to sue your employer, and I am really curious to know not that it was sent out to the field for investigation. I am really interested to know what Judge Sessions did.

Mr. SESSIONS. First of all, in connection with my response, I believe I had an absolute responsibility to respect those processes from which I came and with which I am greatly familiar. All those matters involve legal processes, cases in court. Senator, I felt it was inappropriate then and I really feel it is inappropriate now for me to be commenting in such a fashion that might in some way affect that litigation.

I am aware, as you may be, that in connection with the *Perez* case in the Western District of Texas, from which I come, by the way, that that case was taken by Judge Bunton. It was converted into a class action on pleading and it was an opt-out circumstance.

Senator METZENBAUM. It was what?

Mr. SESSIONS. It was an opt-out circumstance where those who chose not to continue to be part of the class could opt out. So it is not as if there were 280 agents who actually brought the litigation. It is a class action. There are apparently 280 agents who are joined as plaintiffs in that case.

But back to your basic question as to what I did when I read those things or what I did when I heard those things, again it is my belief, Senator, that the time will come when I will have to do—after a careful review, after hearing the litigation and having the litigation completed, I will have to review those matters.

I did what I thought was appropriate, and my response was well chronicled and I will repeat it in detail for you again. It was my great feeling that there had to be established for certain, regardless of whatever else had gone before, that there would not be racism and there would not be discriminatory conduct tolerated within the FBI.

The reason for that is because we are charged with the investigation. You cannot have the fox in the hen house. You have got to be that kind of investigative agency that has the highest standards and will not tolerate those things.

Now, that may be talk, but to me it is very important talk, and all of the review of all of those processes, all of the EEO processes, the timeliness, taking and putting different people into those to be sure they are done in a timely fashion, the total review of those things—to me, that is the fabric of the system which has to be sound.

If that is sound, then the types of things to which you refer will not happen, or will be taken care of more quickly if they are. So that is generally my position, Senator.

Senator METZENBAUM. Well, I understand some of what you are saying, but I do not understand all of what you are saying. What you are really saying is we have to let the judicial processes work in order to find out whether the discriminations is a reality or whether it is not. I think that that is what you are saying.

Mr. SESSIONS. It is part way, Senator. What I am trying to say is that I respect those processes. That is the way the Bureau lives, that is the way a judge lives. We do not, in fact, involve ourselves in settling the litigation on the courthouse steps.

It is important to me that those processes be allowed to work rather than the Director of the FBI going and making an independent investigation and coming out and shouting for the whole world on the courthouse steps what he has found or what he believes.

The processes must work, and the judicial processes must work, and I believe that is where those things are, in fact, solved.

Senator METZENBAUM. Judge Sessions, I have to take issue with you.

Mr. SESSIONS. Yes, sir.

Senator METZENBAUM. You are saying that you cannot do anything about racial discrimination or discrimination against Hispanics until the processes have worked.

Mr. SESSIONS. I did not intend to say that at all if I did, Senator. What I am saying is that on those specific cases dealing with those specific matters that until the processes have been allowed to run that I should not be trying my case on the courthouse steps.

Senator METZENBAUM. All right. Let me ask you this. You know that Mr. Gary Miller was found guilty in an FBI administrative inquiry of forging the materials, is that correct?

Mr. SESSIONS. That is my understanding and that that is a correct recitation, yes, sir.

Senator METZENBAUM. And here is a published statement not in some far-off newspaper in some little part of the United States, but in the New York Times, saying that for that Mr. Miller was punished with a 14-day suspension.

Mr. SESSIONS. That was in 1985.

Senator METZENBAUM. Which, to me, is absurd on its face. Then you find that the white agents in the Chicago office chipped in to pay his salary for 2 weeks. It seems to me, Judge, you are the employer. If you are the employer, you want to find out what really happened here, why did the white agents chip in.

It is proof positive itself that we are going to stick together against this black guy, and yet nothing happens. I do not know if the case has ever been concluded on Mr. Rochon's part or not; then the 280 agents.

Now, as I understand it, I would guess that the 280 agents had each made themselves a party to the case because if it were just a class action being brought by Mr. Perez on behalf of all the Hispanic Latino agents, I think he would have claimed the right to speak for all 400 of them.

So when he is claiming to speak for 280 of them, it would appear to me that the action was actually authorized by 280 of the agents.

Mr. SESSIONS. It was an opt-out circumstance, as I understand it, Senator; that is, he is the representative of the class and those members, those FBI agents similarly situated, were given an opportunity either to stay in the lawsuit or to get out.

It is my understanding that 280 of them, if that is the correct number, stayed in, so that he is the representative of the class, as I understand it.

Senator METZENBAUM. Now, what did you do once you knew—now, there is a case pending over there and that case is going to take 2 or 3 or 5 years. What did you as the head of the department do to find out what are the facts internally vis-a-vis the matter of discrimination against Latino agents?

Mr. SESSIONS. I did not go back and I did not make any investigation at all in connection with those allegations by Mr. Perez or by the 280 agents who are actually joined now as parties plaintiff in that lawsuit.

What I did do is exactly what I had explained before; that is, undertake in those EEO, those hiring practice initiatives, those initiatives that would be sure that the fabric of the FBI was not, in fact, that that was given to racism or discriminatory conduct.

I stated my policies, I issued my policies. I have talked to agents all across the country and support personnel all across the country, and I can tell you with particularity that I spoke with every one of those field offices where I went.

Those enumerations—and I will be glad to read them for you as to what I did, but it was in the context of not trying to interfere with the litigation that was at hand, Senator, and to me that is very important.

Senator METZENBAUM. Did you do anything vis-a-vis the Latino agents themselves to bring them in and to talk with them—I mean, representatives of them?

Mr. SESSIONS. No, sir, I did not. You must know this, and I think you probably do know it, that there is a Special Agents Advisory Committee that I meet with regularly; I meet with it twice a year. I have spoken with them and have been with them.

I have been out in the field, and I will tell you where I have been and it may be of some assistance to you in that regard. I have talked with the Special Agents and with the supervisors and with the support personnel in New York, in Miami, in the Washington field office, in Chicago, in Jackson, MS, in Dallas, TX, in Denver, CO, in Butte, in Salt Lake City, in San Francisco, San Diego, Los Angeles, Phoenix.

Senator METZENBAUM. These were all just with the supervisory agents?

Mr. SESSIONS. No, sir, they were not. Those were directly with those people and those groups, and I have had lunch with all sorts of people.

Senator METZENBAUM. With the Latino agents?

Mr. SESSIONS. With Latino agents and with the whole group that was there. For instance, in New York I recognize that it is not easy to sit down with all of them. I sat down with 900-some-odd people in an auditorium, and that is not the best of all circumstances, but it is a place where you can state what your policy will be in connection with racism and discrimination and with hiring and with those recruitment practices that you expect to be followed.

I have done that in all those places, plus Honolulu, and to me this is significant. To me, this is talking with those people. This is letting those people know in those major field offices what you expect within the Bureau and what you will and will not tolerate in connection with racist conduct or discriminatory conduct.

Senator METZENBAUM. Was it a two-way conversation?

Mr. SESSIONS. I hope it was. Let me put it this way. It is awfully hard for anybody to talk to the Director of the FBI, and I know that. I know that it is not easy for an agent to come up and speak, but I have opened the doors as fully as I know how to open them.

I have talked directly with those groups, big groups, small groups, and not just supervisory personnel, in every single office. That is why I gave them to you with particularity.

Senator METZENBAUM. I am trying to find out whether they responded.

Mr. SESSIONS. I think they did. For instance, now, I talked later, at a later time, concerning my Los Angeles visit in talking with Representative Torres and he said there were some 20 questions that were not answered and were not accepted.

What I did when I found out there were some questions that were not asked in that group—and I could certainly understand why a person might not want to ask them in that group—I responded to them and they have been answered and they have been dealt with. But I think that is important.

Senator METZENBAUM. I am getting dirty stares from my colleague.

Mr. SESSIONS. I am talking on your time, Senator, and I apologize.

Senator LEAHY [presiding]. That is all right. It is an important point. You know, Judge, there is not a person up here who feels that you harbor any feelings of racism. There is no question in my mind that you would make very clear in statements to FBI agents that you abhor racism.

I'll tell you how I would take care of racist matters like this if they occurred in my office. After gathering the facts, I would fire every single person involved in any situation displaying racism. That would send the word that I do not tolerate racism pretty darned quickly.

Mr. SESSIONS. But I would hope, Senator, that you would not do it in the midst of litigation. I hope where those very issues are

being tried before a court of law that you would not involve yourself in that.

Senator LEAHY. I understand, but I am telling you once that avenue was exhausted that's exactly what would happen.

Mr. SESSIONS. Yes, sir.

Senator LEAHY. Senator Specter.

Senator SPECTER. Thank you, Mr. Chairman.

Judge Sessions, I join my colleagues in welcoming you back.

Mr. SESSIONS. Thank you, sir.

Senator SPECTER. You have been on the job now for almost a year.

Mr. SESSIONS. Six months.

Senator SPECTER. Congratulations to you.

Mr. SESSIONS. It may seem like a year to you, but it is 6 months. [Laughter.]

Thank you, sir.

Senator SPECTER. Well, I was looking at your confirmation proceedings, September 9, 1987. It seems like a little longer than 6 months.

You commented to Senator Metzenbaum that you think people have trouble talking to the Director of the FBI.

Mr. SESSIONS. I think it is difficult to approach, yes, sir.

Senator SPECTER. I do not think Senator Metzenbaum does. [Laughter.]

Mr. SESSIONS. I would hope he does not, Senator.

Senator METZENBAUM. What did you say?

Senator SPECTER. Well, I wish you would listen to me, Senator Metzenbaum. [Laughter.]

Senator METZENBAUM. Please repeat it. I did not know you were going to share a gem of wisdom about me. Tell me what you said.

Senator SPECTER. Well, I was not going to do that. I was speaking. I comment to Judge Sessions that he had remarked that it is tough for somebody to talk to the Director of the FBI, and I said not necessarily so. Senator Metzenbaum did not have any trouble doing it. Perhaps sometimes people, even the Director of the FBI, have trouble talking to Senators.

Mr. SESSIONS. I am sure of that.

Senator SPECTER. But I, for one, want to express my appreciation for the job that you are doing and for your candor and your appearances here.

Mr. SESSIONS. Thank you.

Senator SPECTER. There are a number of subjects that I would like to cover with you this morning, Judge Sessions.

Mr. SESSIONS. Good.

Senator SPECTER. The Supreme Court ruled in *McNally* v. *United States* limiting the use of the mail fraud statute on the investigative efforts against public corruption by use of the mail fraud approach, and I introduced legislation to change that decision. It is a matter which is subject to change by congressional authorization.

My question is has there been any significant problem which the FBI has encountered as a result of the limitation of the Supreme Court of the United States in *McNally* saying that the mail fraud statute cannot be used on public corruption cases?

Mr. SESSIONS. I do not know how many counts of how many cases were dismissed, Senator. I know that there was a trial going on down in Austin, TX, at the time that decision came down and a number of the mail fraud counts were actually dismissed out of that particular criminal litigation, but I do not know the impact. I will be glad to recount that for you and find out and place it for the record or by communication with you. I would presume it is considerable.

Senator SPECTER. Well, we would be interested to know that, to get your statement on it.

Mr. SESSIONS. I shall do that, sir.

[Information follows:]

SENATOR SPECTER

Question 1

Have there been any significant problems which the FBI has encountered as a result of the limitation of the Supreme Court in United States v. McNally that the mail fraud statute cannot be used in public corruption cases?

Answer

There are a considerable number of cases that are affected by McNally, and in several cases, determinations have not yet been made as to their ultimate disposition.

As to cases which have reached the prosecutive stage, ten cases have been reported as "must be dismissed," while two more cases may possibly be dismissed. In at least six cases, prosecutions are reported to be continuing on other counts (i.e., Hobbs Act or RICO), but are weakened due to the loss of the McNally mail fraud counts. In at least seven other cases, the McNally counts will be corrected by reindictment or superseding indictment.

At least 19 investigations not yet at the prosecutive stage have been seriously affected by McNally and may be terminated.

The Anti-Public Corruption Act of 1988, of which Senator Specter is a sponsor, is strongly supported by the FBI. The statute is specifically aimed at public corruption and eliminates the previous reliance on "borrowed statutes," the use of which is always in danger of McNally-type decisions.

Senator SPECTER. I infer from what you say that you would like to see mail fraud cover public corruption cases.

Mr. SESSIONS. I would say so, yes.

Senator SPECTER. And to the extent that we can document the injury to those prosecutions, it would be helpful.

Judge Sessions, there was a significant inquiry made by a joint hearing of the Intelligence Committee and the Judiciary Committee on CISPES, the Committee in Solidarity with the People of El Salvador, where issues were raised as to the procedures used by the FBI on that matter that was very sensitive and covered very important first amendment rights.

It seemed to me after the matter was reviewed, and I know there is still more to be presented, that it essentially came down to an evaluation by a senior official who had an understanding of the legal requirements of the first amendment and an understanding of the law enforcement interest and a mature balancing of those very important considerations.

Without seeking to see the Director unduly burdened, it seemed to me that in a case as widespread as CISPES where it covered many, many field offices and many, many people that that was uniquely the kind of a situation which could benefit from the Director's oversight, given your understanding of law enforcement, a U.S. attorney, your understanding of the judicial process, Federal judge, et cetera.

And my question to you is what steps have you taken, if any, for your own personal involvement in matters like that.

Mr. SESSIONS. First of all, let me respond to you by saying that I agree in principle with everything you have stated; that is, that there is a grave responsibility, not a casual one.

As to what steps I have taken, I have directed my immediate staff—that is, the EADs—to be sure—and that would be Mr. Revell, in particular—to be sure that where those sensitive cases involving first amendment rights are, in fact, at issue that I ought to be apprised of them and made aware of them.

There are guidelines that are very careful guidelines and I think they are good guidelines, but the important thing is that if there is a potential first amendment problem, either that or in an undercover operation, that the Director be informed and be informed as early as possible in the investigation.

Senator SPECTER. So you have set up a process that you personally would be informed on a matter of that sort?

Mr. SESSIONS. There is no process beyond my direction to the EAD, that is correct. Mr. Revell is here with me this morning and I think he will confirm that.

Senator SPECTER. Well, I am sure he will. [Laughter.]

Mr. SESSIONS. If placed under oath, I think he would confirm that.

Senator SPECTER. Even not in your presence, I am sure he would.

Has any such matter been referred to you for your personal evaluation?

Mr. SESSIONS. No, sir.

Senator SPECTER. I take it you are confident that no similar matter has arisen which would require such an analysis on your part?

Mr. SESSIONS. No, sir, I am not necessarily confident. There just has been none and I would hope there would be none, and I would hope the sensitivity to the CISPES circumstance would arouse a strong interest on the part of agents across the field.

I will have the privilege next week of meeting with all the SAC's from across the country and I will be discussing that, among other matters, with them.

Senator SPECTER. Well, I think it is a matter that has to be pursued, and if the absence of any referral to you is a statement that there is no matter which warrants referral to you, fine. But I believe that in your capacity as the Director, you just have to be sure and perhaps an occasional inquiry might be helpful, some reporting process.

I would not really know how or want to, on horseback, today get involved in how you do it, but there might be some standard as to how many people are involved, how many field offices, some issue of review by the Director to be sure that a matter as widespread and as sensitive as CISPES is not a recurring problem.

Mr. SESSIONS. All right, sir.

Senator SPECTER. Judge Sessions, I had discussed with you back on September 9th of last year in your confirmation hearings a subject that I consider to be very important, and that is the issue of having FBI agents serve as the investigative arm of independent counsel, formerly known as special prosecutors, because where you have the Attorney General of the United States, for example, subject to an investigation, it is very important that the investigators be independent.

I had commented to you at that time an experience that I had working as one of the lawyers for the Warren Commission staff back in 1964 where the FBI itself was the subject of investigation to some extent and we had FBI agents working for us and I was troubled then, as I am troubled now, by having people in an investigative role who have some connection with those who are being investigated.

And it is not an easy matter because it was hard for the Warren Commission, and Chief Justice Warren and the other commissioners decided not to set up an independent investigative branch.

But with independent counsel it may be a little different because independent counsel now are institutionalized and maybe we ought to be giving some consideration to having separate investigators.

I had raised the question with you as to whether any of the information handled by independent counsel McKay had been referred back to the Department of Justice, any of the matters investigated by the FBI, because I had a report that some such matters had been.

Mr. SESSIONS. Did you ask me specifically about independent counsel McKay or was it generic, Senator?

Senator SPECTER. Well, I was asking really about Mr. McKay and I made a specific reference to the fact that the Attorney General was subject to investigation.

Mr. SESSIONS. Yes.

Senator SPECTER. And it raised a couple of problems. One problem was that some of the information conceivably could get back to

the subject of the investigation, the Attorney General, if it gets back to the FBI.

Mr. SESSIONS. Yes.

Senator SPECTER. And the second aspect was whether there might be a chilling effect on an investigator who is investigating the Attorney General, knowing that when his assignment with independent counsel is over he is going back to the FBI and he is going to be subjected to departmental regulation.

And at that time you had questioned two of the men who were with you, Mr. Bolton and Mr. O'Brien, who gave you the reassurance that materials were not being sent back, but you said to me that, quote, "I will explore that further for you and I will discuss it further with you, but that is my understanding, sir," referring to your understanding that you had gotten at that moment from the two men who were with you.

And my question to you is have you pursued it further and what have you found?

Mr. SESSIONS. Yes, I have pursued it further and I have found that there are several things that relate directly to what you are talking about. First of all, when those agents go with independent counsel, they are assigned there and they are very carefully briefed that the matters that are brought to their attention in investigative stance for the independent counsel are not to be revealed unless there is an appropriate order to do that by an authority that allows them to do it.

Second of all, when they are there, there may be matters that the independent counsel decides will not be pursued by independent counsel that can then be carried back by that assigned agent to the FBI, but that is independent of it and with careful authority from the independent counsel to do it.

Otherwise, they are prohibited from ever discussing those matters that were the subject of their investigation for the independent counsel. That is my understanding.

The other thing that I said, I think, at that time, and if I did not, I should have, was that I would be absolutely certain to be sure that those agents were protected and not in any way dealt with unfairly on their return, which I thought was the import of one of the questions you asked at that time.

Senator SPECTER. Well, that is the import. My time is up, so I will conclude with this statement that I would hope that if you have not that those rules, regulations, and procedures be reduced to writing so that there is contemporaneously before the Attorney General, where he is a subject of investigation, the Director, the agents, that they are under a specific interdiction not to make a disclosure.

Mr. SESSIONS. I will take your advice and if they are not reduced to writing, I will have that done.

Senator SPECTER. And that there further be a written procedure establishing what happens to an agent on his return so that it is all in writing and no question is subject to being raised about it, so everybody knows what everybody else knows on the subject.

Mr. SESSIONS. I think that is certainly not inappropriate, Senator, and I will do that.

Senator SPECTER. Thank you very much, Judge Sessions.

Mr. SESSIONS. Thank you, sir.

Senator SPECTER. Thank you, Mr. Chairman.

Senator LEAHY. Thank you, Senator Specter.

We will go to Senator Simon, then Senator Heflin.

Mr. SESSIONS. Good morning, Senator.

Senator SIMON. Director, on the *Rochon* case, it first came to my attention in May of 1986, long before there was anything public. I did some checking and felt that it was more than simply the one case that was involved, and then I called Judge Webster and asked Judge Webster to meet with the president of the NAACP in the Chicago area to go over some problems that, at least on a superficial study of things, seemed to be there.

Judge Webster wrote back, and I would like to insert his letter in the record here.

[Information follows:]

U.S. Department of Justice

Federal Bureau of Investigation

Office of the Director

Washington, D.C. 20535

July 10, 1986

Mr. Mel F. Jordan
Executive Director
Chicago Southside Branch
Chicago Metropolitan Council of
NAACP Branches
NAACP Plaza
7 East 63rd Street
Chicago, Illinois 60637

Dear Mr. Jordan:

I appreciated the opportunity to speak with you on July 3, 1986, concerning matters that had come to your attention. I am pleased that you chose to discuss your concerns with me privately instead of in a public forum. This approach, however, came as no surprise to me since all of my dealings with the NAACP have been very professional and I have not come to expect anything less than a professional approach to the matters in which the NAACP are interested.

Concerning the specific matter which you referred to me involving the Agent who was dissatisfied with the Bureau's disciplinary action, I can assure you that this matter received the same rigorous attention that the Bureau applies to all disciplinary proceedings. The most recent complaint has been referred to the Department of Justice (DOJ), Civil Rights Division. I am proud of the Bureau's record of a thorough review of all allegations, with the investigation or inquiry separate from the administration of discipline. I believe this procedure results in a fair and consistent approach to all allegations against our employees. I insist that before any discipline is initiated that the investigation or inquiry must establish convincing evidence that the subject of the inquiry was indeed responsible for the transgression. I know that reasonable people will disagree in matters such as these, but I hope our meeting clarified this issue for you.

As you well know I am a firm believer in equal opportunity for minorities and I think this has been demonstrated

Mr. Mel F. Jordan

throughout my public career, including my tenure as Director of the FBI. The FBI is a national agency administering to all segments of our population. In order to be effective in our mission we need representatives from all walks of life, including minorities and women. For your information, since I became Director of the FBI, the Black Agent population has increased 213 percent. The total minority population of Agents in the FBI is now slightly over nine percent.

In addition to seeking Blacks and other minorities for the Special Agent position, I insist that no racial bias be exhibited by any employee and sensitivity to minorities is continually stressed starting with New Agents training classes and continuing during management training and executive level seminars.

Based on my contacts with Bureau officials and street Agents, I do not sense that we have any serious racial concerns in the FBI with Blacks or other minorities. I cannot dictate what our employees think, but I can and do insist upon fair treatment of all of our people. I appreciate your observations and, as I think you are aware, I am an advocate of increased representation for minorities in the FBI and their harmonious inclusion in the Agent population.

Sincerely,

William H. Webster

William H. Webster
Director

Senator SIMON. Judge Webster wrote back, "Based on my contacts with your officials and street agents, I do not sense that we have any serious racial concerns in the FBI with blacks or other minorities."

Would you agree with that statement?

Mr. SESSIONS. Yes, I would. I would say this, that my own perception about the way that persons of minority status are treated within the Bureau is it is something that needs to be constantly reviewed, and that is why I have no problem at all going forward with my own initiatives to be sure that that is done.

I have talked with agents, and I think you were here when I recounted the places that I have been, and I have been in the presence of not only the Special Agents and the supervisors, but also with the support staffs across the board. I have walked in their areas; I have been with them, I have talked with them, I have spent considerable time.

And as I was saying to Senator Leahy and Senator Metzenbaum, I know the Director of the Bureau is not exactly approachable from the point of view of most of the employees, and yet I have tried to put myself in that position where they could, in fact, talk to me or could write or could communicate with me.

I know that there are serious questions out there in the *Perez* case and in the *Rochon* case, but what I have tried to do is to be sure that I do not cut off communication I should have.

I would adopt Judge Webster's observation. I do not know what it is based on, but I have told you today the places I have been and the people that I have talked to, and I do not feel isolated. I do not feel like I am being conned.

I do not feel like I am getting a story that is not true, and if I were, there could be nothing more important to me personally than to be sure that we do not have it, and that if it exists, either discriminatory conduct, lack of promotions, EEO violations, affirmative action violations, take it across the board that we establish a pattern that says that will not be tolerated, and must not be.

Senator SIMON. Let me just add I applaud your attitude and what you are doing, and I also applaud the fact that one of the top four people in the FBI today is John Glover. If it would not be an imposition on Mr. Glover, I would like to ask Mr. Glover whether he feels——

Mr. SESSIONS. I would be pleased to have him join me, Senator.

Senator SIMON. Well, you heard me read the sentence from Judge Webster's letter.

Mr. GLOVER. Yes.

Senator SIMON. Do we have a problem? Is it being adequately addressed?

Mr. GLOVER. Okay. First of all, I was present during the meeting with the head of the Chicago NAACP and Judge Webster, along with some other FBI officials, and I concur in Judge Webster's statement.

I think if there is a problem, it is an isolated problem. I do not think there is any broad-based, systemic racial or discriminatory problem or practice within the FBI, and I speak from not only over 21 years of experience in the FBI, but I speak from having a wide variety of experiences in the FBI.

I have been assigned personally to a number of FBI field offices. I have been Assistant Special Agent in Charge in one, I have been the Special Agent in Charge in two. I was in charge of the FBI's Inspection Division for 3½ years, which division conducts internal administrative inquiries of all kinds, including EEO matters.

So I would say based on those assignments and based on a number of administrative matters that crossed my desk, with my regular and continuing contact with a wide spectrum of all FBI employees—support, agents, females, Hispanics, blacks, Asians, alike—that there is no widespread problem of discriminatory practice or racism that exists within the FBI.

Senator SIMON. Good. Well, I am pleased to hear you say that. Let me follow up, also, here. The one suit alleges that once Hispanics are in the force, they are usually sent to San Juan, Puerto Rico, ostensibly for their Spanish language abilities, even when they are not Spanish-speaking. Is there any validity to that at all?

Mr. SESSIONS. Are you asking me the question, Senator?

Senator SIMON. Yes.

Mr. SESSIONS. I would say that it is quite logical, in my view, to utilize agents where their talents are best applied. For instance, I have looked very carefully at the Asian circumstance because in my own mind I have said how are we going to infiltrate groups or how are we going to deal with criminal conduct groups if we do not have a look-alike, if we do not have an Asian to deal with it, if we do not have a specific person that can easily mix and be part of that milieu. The same thing is true of Spanish-speaking people.

There were a number of agents who came in under Spanish-speaking programs, who qualified under Spanish-speaking programs for those specific responsibilities. So it is quite logical that we use them where their ability comes to bear.

If there is an abuse, if there ends up being an abuse—that is, if they are discriminated against on account of the capability they have and therefore, because of that ability, they are prevented from having promotions, et cetera, then, of course, those need to be looked at carefully and need to be rectified.

Mr. Glover is here and can speak specifically about that Spanish recruitment, Spanish-speaking ability for recruitment purposes, and is familiar with it, I am sure.

Senator SIMON. Do you want to add anything, Mr. Glover?

Mr. GLOVER. No. My answer would be consistent with the Director's.

Senator SIMON. Then if I may shift to another matter.

Mr. SESSIONS. Thank you.

Senator SIMON. And I thank you, Mr. Glover.

Mr. GLOVER. Thank you.

Senator SIMON. Just looking at your increased expenditure request, other field programs increased 43.9 million; organized crime, 4.6 million; drug program, 3.6 million.

Mr. SESSIONS. Yes.

Senator SIMON. As I look at the primary needs in the drug program and organized crime, it looks like they are being underfunded relative to other field programs. Am I misreading that?

Mr. SESSIONS. Senator, you catch me in a difficult circumstance because I am bound by the budget-making process, but I can, I

think, clarify it for you. In the process, the 396 agents which we requested in connection with drugs were actually lopped off.

We have, in connection with the DeConcini-D'Amato bill, asked that if, in fact, that bill passes and becomes law that the FBI be favored with having those resources at essentially that level restored. The same thing is true in terms of support personnel.

It is my understanding that the DeConcini-D'Amato bill contains 400 agents, 400 support, and $38 million, and I have been asked the question whether that is sufficient. It is about as big a bite as I believe the Bureau can absorb.

We have got to not only bring in the agents, we have got to train them, we have got to house them, we have got to support them. We have got to do all those things which are compatible with our national drug strategy. We do not take that casually.

The national drug strategy is a well-defined policy that directs the Bureau's involvement, and it is not based upon interdiction or street seizures or those types of things, but rather to long-term, sustained investigations at the structure, the hierarchy of those drug operations.

So I would say that if the DeConcini-D'Amato bill becomes law, we will take those resources that are proposed now—that is, the 400 agents, the 400 support, and the $38 million—and use it very well.

Senator SIMON. Thank you. I see my time has expired. Thank you, Mr. Chairman.

Senator LEAHY. Senator Heflin.

Senator HEFLIN. In your prepared statement, you spoke of the FBI's development of a national drug strategy.

Mr. SESSIONS. Yes, sir.

Senator HEFLIN. Could you briefly describe that strategy?

Mr. SESSIONS. Yes, sir. It is my belief that it is absolutely essential that the national drug strategy be followed religiously, if that is the proper descriptive term. The Bureau has always had, as I view it, and this is my view, an ability to carry out sustained, long-term investigations that are directed at enterprises, whether they are criminal or criminal-drug, that can be successful in dealing with the organization.

That ability of the agency to do that means that it is what we do best and that if we are involved, for instance, in the areas where DEA or Customs or Coast Guard or other people might be involved for any purpose other than that which is compatible with that strategy that we are making a mistake.

So our focus, the use of our current 1,100 agent years, which is about one-ninth of our agent ability—our use of that is directed strictly in connection with that strategy, which is long-term, sustained investigations at the hierarchy of these various drug organizations. It is extremely important, I think, that that be followed, and we do it.

In talking about resources—and Senator Simon was referring to that—I know that even with the resources we have, we can only attack approximately 40 percent of the South American and Colombian organizations that we know exist, and about 40 percent, again, with the Mexican drug trafficking organizations, and about 13 or 14 percent of those identified with the Italian effort.

At the same time, if our actual use of those resources gets outside of the national drug strategy for long-term, sustained investigations using the surveillance techniques and the court-authorized taps, et cetera, then we are making a mistake, and that is where I believe it should be.

Senator HEFLIN. We had some law enforcement officers that were here last week who testified on some of the drug problems.

Mr. SESSIONS. Yes, sir.

Senator HEFLIN. One of them made a very strong case that the two details that are most needed relative to the drug problem are interdiction close to the source and, second, international diplomacy. Which indicates that the vast majority of drugs come in from foreign countries.

I have seen statistics to the extent that two countries furnish 50 percent of the cocaine supply of the world. Their testimony was that at the street level and at the border level, it is extremely difficult.

Now, do you have any ideas—of course, it falls into other agencies in regard to interdiction which could be close to the supply, and I suppose that means that we would have to start tracing when they get into international waters boats and planes coming out of the source countries.

Do you have any plans in your national strategy of furnishing intelligence to other agencies indicating where the drugs were coming from?

Mr. SESSIONS. I think that is correct, and I think you are perceptive, Senator. We know of some 250 South American and Colombian organizations. We know of some 250, or in that neighborhood, of Mexican organizations; we know of, as I indicated, about 113 or 114 Italian. I do not have any question that we would be able to supply intelligence, and intelligence is extremely important.

As you know, the Drug Enforcement Administration has that responsibility overseas, but through EPIC, through the gathering of information and the dissemination of information in a timely fashion, we are able to aid with the interdiction. But not only that, the question always has to be asked, no matter what you seize, where does it take you up the ladder, and I believe that is always the first question the Bureau ought to ask.

Where does this fit into the FBI's national drug strategy? How are we able, with that information, to gain more information to be able to prosecute or present a prosecutable case on an organization structure, because otherwise what does happen—and you are familiar with the term "mule."

Whether a mule is a ship or a person carrying drugs across the border, the point is that they are the lower-level people, not necessarily the hierarchy. And the money laundering operations and the drug financing operations, these things which are massive in the United States, are our direct responsibility.

We have more and more of that coming in from overseas. What you saw in connection with, for instance, the March 31st arrest of over 200 Sicilian mafioso were people who were directly involved in our country in handling the transport of heroin in exchange for cocaine. Those were not local United States LCN people; those were Sicilian people and they were involved in that kind of trafficking.

So the intelligence that we gather can be effective and is effective, and we have proven repeatedly that by gathering that intelligence we can, I think, effectively go against those organizations. Whether you get the whole hierarchy in the foreign countries is another question. The chances are you cannot because they are there and we are here, but the indictments can identify and can charge, I think, properly.

Senator HEFLIN. Well, it gets into this idea of international diplomacy. What is the level of cooperation between the law enforcement agencies charged, including all aspects—Coast Guard, Customs, FBI, DEA—and the State Department, on the basis of the State Department giving information and the agencies giving information to the State Department?

In a strategy, is there an element of relationship between the State Department and the drug enforcement agencies?

Mr. SESSIONS. The State Department is directly involved with the Bureau in the Italian American Working Group, for instance, where they come and sit down with their Italian counterparts and our Italian counterparts and discuss terrorism, organized crime, drugs, and how actually to exchange information and exchange technologies and exchange training with the Italians, and we have done that. That was begun in 1983 with Mr. Revell's recommendation of the formation of the Italian American Working Group. It has been of significant benefit to us.

We also participate bilaterally with the Trevi Group in Europe, which is the group gathered together from the European Community, the ministers of justice, the ministers of interior, again to deal with problems common to those European nations.

We then have bilateral discussions, and the State Department is involved with them as well, in the areas of organized crime, terrorism, and drugs. Again, that is a working group.

I do not know that the State Department is involved in the attempts to form a Japanese American working group, but Mr. Revell is here back behind me and he may be able to answer that specific question or I can do it for the record.

Senator HEFLIN. Well, I would appreciate it.

Mr. SESSIONS. All right, sir.

Senator HEFLIN. What is the relationship with Mexico today? Are there problems? Is the FBI having problems working with Mexico in pursuing illegal drug traffickers?

Mr. SESSIONS. I am sure you know about Operation Alliance, Senator, and our involvement, again, in those areas is directly related to our responsibility within this country. But we do actively pursue on a continuing basis, month-in, month-out, exchanges with the Mexican Federal Police where we train and they are involved in training and exchange of information, exchange of techniques.

We have in the past year, if my memory serves me correctly, built from 119 agents in those areas in connection with Operation Alliance to 207 or 8, maybe 9. So we are concerned about that. But, again, what that does is it must blend and form itself into our national drug strategy because seizure is not enough for the Bureau to be involved. It has to be something that will lead us to a higher source within the framework of that conspiracy.

Senator SIMON. If my colleague would yield, if I can be more specific, do you feel you are getting cooperation from Mexico on this?

Mr. SESSIONS. To the extent that we are involved, yes, Senator, I believe that we are because we are what I would call involved with the nuts and bolts. But the DEA's responsibility or the State Department's responsibility is not ours. Ours is specifically within the continental United States.

We do have a legat in Mexico City, and those are a constant struggle; that is, to actually see that there is good, strong functioning. But, yes, I would say we have effective liaison with the Mexican Federal Police and that our responsibility in training is being carried out, and exchange of information.

Senator LEAHY. Thank you.

Judge Sessions, I know that Chairman Biden spoke with you in late January about the Donald Rochon matter and the seriousness of those allegations.

Mr. SESSIONS. Yes, sir.

Senator LEAHY. I know the Bureau is responding to a number of budget requests from the committee about the matter. There is one question that has come up in talking with the committee investigators and I would like it answered.

We would like to know when the Bureau began the criminal investigation of the Rochon matter that the Justice Department's Civil Rights Division requested. Now, as I understand it, the Justice Department Civil Rights Division requested this in June of 1986.

Mr. SESSIONS. I believe that is correct.

Senator LEAHY. When did the Bureau actually begin its probe?

Mr. SESSIONS. I think we actually began it in December, Senator, but I do not want to be bound by it. I can go back. The information is there and it is available and I can supply it to you, and I would be pleased to do that. It was, in fact, in limbo there for a while.

I believe this is correct. When we believed that they were going forward with the grand jury matter, we said that we needed to have a criminal investigation before that is done. So that is when it was actually begun, and I think it was December, but I will confirm that for you, sir.

Senator LEAHY. Would you please?

Mr. SESSIONS. I will be glad to.

Senator LEAHY. Now, I would like to ask a few questions about the Library Awareness Program——

Mr. SESSIONS. Yes, sir.

Senator LEAHY [continuing]. In fact, any similar programs where the FBI might be asking librarians to report suspicious behavior by library patrons. I want to treat this as seriously as apparently the FBI has, but if we do have a serious intelligence problem, why is the Bureau turning to librarians rather than professional law enforcement personnel for surveillance purposes?

I mean, I know a lot of librarians and they do not really fit into what I consider law enforcement agent molds.

Mr. SESSIONS. I think that is well stated, Senator. First of all, yes, the Bureau does take it very seriously. Second of all, it might not have been in congressional testimony; it may have been in a press conference or somewhere else where I misspoke about the extent of

the Library Awareness Program because at some point in time before some forum I referred to the fact that there were three cities that were the targets of and were the recipients of the Library Awareness Program of the Bureau. That is not correct. I know that is not now correct.

I stated it was San Francisco, Washington, and New York. The Library Awareness Program has been conducted only in New York. The Library Awareness Program since 1986 has contacted 21 of the scientific and technical libraries, or the sections of libraries involved in the New York area.

Those were in what we believe are legitimate pursuit and in necessary pursuit under our foreign counter-intelligence responsibility. It is a fact that those libraries, scientific and technical, are used for foreign counter-intelligence sources to gather their information and to recruit. It is true, it is a fact. There is nothing I can do to change that.

The question is whether or not there is some improper investigative activity by the Bureau going to librarians and saying do you want to give, or can you give information to us concerning this specific activity of specific people who are in that library.

I know what is contained in those libraries, and you do as well. There is great technological information that is readily available on microfiche or data that is contained in a computer system. I know that is available.

The question is whether that information is being pursued improperly under law and whether, under our foreign counter-intelligence responsibility, we should seek to investigate it.

I think we have the responsibility to do it, and I do not mean to get on my high horse about it, but I intend to carry out the responsibility as compatibly as I can with the needs of the libraries.

I think any librarian is entitled to say to any FBI agent at any time, any place, I do not choose to give that information, or to say to that FBI agent our State law prohibits our doing that.

But that does not speak to our need to pursue it, and in order to deal with it, there are three different reports that have been prepared and I am prepared to give one of them to you today. It is an unclassified report that relates to why we pursue that and what the Russian objectives and the foreign hostile intelligence objectives are.

Senator LEAHY. When was that report completed?

Mr. SESSIONS. In February 1988.

Senator LEAHY. It would have helped if we could have had it before this hearing. I think we had let the Bureau know that we were going to have questions on the Library Awareness Program and I would have been happy to have had the report.

Mr. SESSIONS. Well, I did not mean to cause you to be at a disadvantage. When I found it was here, I brought it.

Senator LEAHY. Well, let me ask you about that. You say this program is confined to New York, but James Fox, I understand, who is the Deputy Assistant Director in the New York FBI office, told the New York Times in September that the program was part of a national campaign.

Thomas Duhadway, the Deputy Assistant Director of the FBI's Intelligence Program told the Library Commission in January that there are problems in Washington and San Francisco.

Mr. SESSIONS. Which is information I thought was correct as well.

Senator LEAHY. So which is it? I am confused. Is the FBI visiting only libraries in the New York City area?

Mr. SESSIONS. No.

Senator LEAHY. Is the FBI visiting libraries outside the New York area?

Mr. SESSIONS. Yes.

Senator LEAHY. And do those visits differ from the Library Awareness Program?

Mr. SESSIONS. Yes.

Senator LEAHY. How?

Mr. SESSIONS. They differ because they are following specific investigative leads that are followed in connection with the use of those libraries in other areas of the country, but they are not a Library Awareness Program. We are not going to those people with a library awareness approach, but with an investigative approach to those specific areas where the libraries have been used.

Senator LEAHY. Well, what is getting targeted, the libraries or the individuals?

Mr. SESSIONS. Is the library being targeted? No. Is the individual being targeted that is the foreign gatherer of information? Yes.

Senator LEAHY. Well, maybe you might explain not only for the committee, but for the public at large. I would assume that we are not storing classified material in the library.

Mr. SESSIONS. That is my understanding.

Senator LEAHY. Or if we are, it should be retrieved from the library. But if classified material is there, you or I could go in there and just pick it up.

Mr. SESSIONS. That is correct.

Senator LEAHY. What do we gain by looking at foreign nationals or somebody else going in to pick up those same things? I mean, if you have a true espionage agent, would you really go walking into libraries flashing a diplomatic pass and saying I am Major So-And-So of the GIU and I am walking in here to look up the technical manual on aerospace?

Mr. SESSIONS. If that happened that way, it might be that it would not be of interest, but that is not the way it happens. The way it generally happens is there is the gathering of information in a surreptitious fashion that is designed not to do it openly, not to do it as a routine matter of course, like taking Time Magazine or U.S. News and World Report to gather information, or technical journals to gather information.

It is the surreptitious gathering of information by foreign hostile intelligence sources that is our concern, and when that happens, when it happens in that fashion, whether it is the stealing of a microfiche that contains that technical information or whether it is the stealing of a publication, it is of interest to us because it indicates their level of interest and where it is.

Libraries are also, as you well know—or I should not say it that way; I did not mean it that way—as you may know, are areas for

recruiting purposes and used for recruiting purposes of people with those scientific and technical expertises.

You know, people do not come in to read Goldilocks and the Three Bears in a scientific and technical library. Those are people who are capable.

Senator LEAHY. Has the FBI asked for borrower lists?

Mr. SESSIONS. We may have, Senator, and I would not say that we have not. But, again, as to whether or not they will supply that information, any librarian is entitled to say, no, we may not, or, no, we will not. Or if there is a State law that says we will not, no, we will not. On the other hand, we do seek cooperation and continue to seek cooperation in that particular area.

Senator LEAHY. Do you explain to the librarians what this Library Awareness Program is? I mean, do agents do that?

Mr. SESSIONS. I do not know that they do. I would presume that it has been done in the New York area where the program is in place, but if you want me to find out the answer to that specific question, I shall.

Senator LEAHY. Well, see, I continue to have a problem understanding how surreptitious somebody is being when he or she is in a public library. Granted, going in to get Goldilocks is one thing. If you are going in to get Thermonuclear Weekly, you may have something else in mind, but if it is a public document in there, is this not something that we say, okay, it is public, it is available?

I mean, it is not like somebody is walking into Lockheed and asking to go into their engineering division or something like that. I am having a little bit of trouble. I know this is not your program. You inherited it, but it seems that we have an awful lot of conflicts going on here.

I can understand why librarians are as concerned about this program as they are. I mean, does the librarian say to somebody who looks suspicious or foreign, I am sorry, you cannot read that here, go outside?

Mr. SESSIONS. No, I would not——

Senator LEAHY. I think I understand what you are looking for, but does this really gain you anything, or does it tie up a lot of agents when they probably would be better utilized doing something else?

Mr. SESSIONS. Libraries are used not only for the gaining of information in a fashion that is not open but is surreptitious. It is also used for recruiting, it is also used for targeting. It is also of great and intense, continuing interest to those elements of foreign hostile intelligence-gatherers. Where they are, we believe we must be, and when they are, we think we must be.

I would not for 1 minute equate this program or our activities in pursuing leads with invading the rights of Americans to have free access to information at all under any circumstances.

It is carrying out our foreign counter-intelligence responsibilities that we are charged to do, and I think it is an appropriate way to do it.

Senator LEAHY. Well, I would be interested in seeing the report you have because you have certainly got the librarians concerned and up in arms, as you know.

Mr. SESSIONS. Yes. I think they should be concerned and I think they should be watchful. I agree with that.

Senator LEAHY. Well, you know, we pay a price in an open society, and I think a fairly good price, to have open access of information. Some information should not be open, but then we have procedures to classify it and keep its availability restricted. But this is what really concerned me.

Mr. SESSIONS. Well, I will be pleased to leave a copy of the report with you and provide other copies if you wish it.

Senator LEAHY. Incidentally, I might just note that on other occasions we have talked a lot about terrorism and about the nuclear threat. Someone mentioned that today.

I am concerned about high-tech terrorism and I am going to be holding a hearing on that on Thursday. We are going to be working with the Bureau on addressing this problem.

Mr. SESSIONS. Yes, sir.

Senator LEAHY. I am concerned about everything from computer viruses on through. We wear different hats around here. We will be debating the INF Treaty, I assume, but I am as concerned about a terrorist who smuggles in a nuclear weapon, as I am concerned about a terrorist who smuggles in chemical agents in a thermos bottle, which could also kill tens of thousands of people, especially if that thermos might be opened on the top of a building on a windy day. So we have been working with your department on this issue and will continue to do so.

Senator Simon, did you have further questions?

Senator SIMON. Yes. If I could follow through on the library thing because this does concern me, the first amendment right for free speech is not only to provide information, but also to receive information, and that should not be diminished in any way.

Let me read from an article in The Nation, April 9, 1988: "The agent appealed to my sense of adventure," said University of Cincinnati reference librarian Margaret Lippert. "Agent X," an informant for the author of the article, an FBI agent, "told me an agent is going to impress upon librarians that the free world will fall unless the library cooperates. He cons the person. I felt intimidated," recalled Sylvia Evans of the University of Maryland's chemistry library. "The agent said those people are not U.S. citizens and should not be protected." I hope the agent did not say that.

"The FBI man who approached Director Selma Algaze of the Broward County Library in Fort Lauderdale"——

Mr. SESSIONS. That would be in Florida.

Senator SIMON. Pardon?

Mr. SESSIONS. That would be in Florida.

Senator SIMON. Yes.

Mr. SESSIONS. Yes.

Senator SIMON. But that does not sound like a research library, the Broward County Library.

Mr. SESSIONS. It does not sound like it to me at all. It may be that that contact was as the result of a specific lead in connection

with foreign counter-intelligence, not an awareness program at all or anything related to it in any way, but I cannot tell, Senator.

Senator SIMON. All right. Well, I would just like to put that in the record.

[Information follows:]

The Nation.

April 9, 1988 $1.25; U.K. £1

SPYING IN THE STACKS

THE F.B.I.'S INVASION OF LIBRARIES

NATALIE ROBINS

In a front-page article last September 18, *The New York Times* reported that agents of the Federal Bureau of Investigation had asked "fewer than twenty" New York City libraries for help in catching spies who might be lurking in their stacks. According to *Times* reporter Robert D. McFadden's account, "The contacts have been under way since last spring as a result of a sensational espionage case in which a Soviet employee of the United Nations, Gennadi F. Zakharov, recruited a Queens College student as an agent through contacts made at a library." Under the F.B.I.'s Library Awareness Program technical libraries are being requested not only to be on the lookout for spy-recruiting activities but also to report on the reading habits of foreigners who might be copying information allegedly harmful to national security.

The Times did no follow-up article, and aside from local stories and one in *The Washington Post* there has been little coverage of the program, which the American Library Association has called "an unconscionable and unconstitutional invasion of the right of privacy of library users."

"The Zakharov case shows our theory was correct, and we stepped up our program," an F.B.I. spokesman said recently. In an interview in January with the new F.B.I. Director, William Steele Sessions, I asked about the program. Here is a transcript of our conversation:

ROBINS: Recently there was a statement that "The FBI has historically depended upon the American public's assistance in carrying out its investigative responsibilities."

SESSIONS: That is true, and that is routine.

ROBINS: And this was in response to the stories about going into the libraries and asking——

SESSIONS: Yes.

ROBINS: It seems that you are trying to turn librarians—the caretakers of our writers—into informants. What's really behind your seeking librarians' help? It's sort of a desperate move.

SESSIONS: I would not characterize it as a desperate move. I would think that it would be a logical move; that is, a move that should be understood very clearly by the American public and by any person who is aware of it. It is my understanding, therefore, for several years now—maybe as many as ten years—we have sought the assistance of librarians in connection with specialized libraries where there are people who come to gather technical research. Believe it! That these are places where foreign, hostile intelligence persons seek both to gather information and to recruit people who will be their agents in this country! I think it's a totally understandable circumstance, that if a librarian is aware that this happens, and that information and persons are dealt with in this fashion, that they would want to be aware of it, and then, if they *want* to give information, *fine*. I don't remember the name of the program. You can help me with the name.

(Sessions turns to assistant director Milt Ahlerich, who, along with supervisory special agent Susan Schnitzer, has been present throughout the interview.)

AHLERICH: Library Awareness Program.

SESSIONS: Library Awareness Program. And I'm aware of that. I find nothing threatening about that. I guess it's in the mind of the beholder. If in fact I came to "librarian Robins," and came in a secret, unpublicized fashion and said, "Now we want you to spy on these people," I think that's an entirely different circumstance! What we're asking for is intelligence that comes by way of awareness and their observations. For instance, if you saw and were aware of recruiting activities that were taking place where people were being encouraged or were being solicited——

ROBINS: You mean actually using the library space as a recruitment spot?

SESSIONS: That's partly it.

ROBINS: But you also expect the librarians to kind of keep an eye on the books on the shelves?

SESSIONS: Not at all. We expect librarians to be aware of things that in their minds are in fact foreign, hostile intelligence gathering efforts.

Natalie Robins is writing a book about the F.B.I. and American writers, based on 140 Bureau files, to be published by William Morrow. She is the author of four books of poetry and co-author of the 1985 nonfiction work Savage Grace *(William Morrow).*

AHLERICH: There's a very narrow, specialized group of libraries that we're working with, with the head of that association's permission and knowledge that we're there. So it's a very narrowly focused area, with a lot of basis for previous activity on the part of intelligence operatives of foreign lands.

ROBINS: Is that list of libraries available to the public?

AHLERICH: No.

Asked to elaborate on Director Sessions' statement that, contrary to the *New York Times* story, the program has been around "for maybe as many as ten years," agent Schnitzer said, "It's ongoing, and it's been more than ten years, but we'd rather not give out the exact date."

Representative Major Owens of New York, the first professional librarian elected to Congress, said that he was told at an F.B.I. briefing on February 10 that the Bureau has been infiltrating libraries for twenty-five years. An official at Princeton University, who did not wish to be identified, told me the F.B.I. visited the library there "sometime in the mid-1960s. They were looking for records of the types of books someone read. Of course, we did not cooperate."

Why libraries, of all places?

The library has a long history as a setting for clandestine meetings of all kinds—from the amorous to espionage. In this country, as early as 1917, journalist Walter Lippmann was part of a secret military intelligence unit that met at the New York Public Library on Forty-second Street.

The F.B.I. incursions also inevitably evoke comparisons to the invasion of U.S. overseas libraries in the 1950s by Senator Joseph McCarthy's aides Roy Cohn and G. David Schine, who forced the removal of books by such "subversive" writers as Pearl S. Buck, Theodore Dreiser and Edna Ferber. Schnitzer denies any similarity: "We're not telling people to censor." In fact, according to a current F.B.I. agent, who requested anonymity and whom I shall call Agent X, "We're not looking at authors. We're looking at people who want to read authors." Agent X doesn't like the term "program." He said, "It's not a program like Cointelpro or the Ghetto Informant Program of the early 1970s. It's more of a counterintelligence investigative technique—it's used for movement analysis," that is, tracking the whereabouts of suspects.

Sven Holmes, majority staff director and general counsel for the Senate Select Committee on Intelligence, wrote me recently that the F.B.I. "appears to have a legitimate reason to make carefully selected contacts with specialized technical libraries of the type known to be frequented by Soviet bloc intelligence officers." Nevertheless, committee members believe that such investigations imperil First Amendment rights and "should be subject to strict controls and should have a compelling justification."

What "compelling justification" does the F.B.I. offer? The Bureau told me:

> The potential hostile presence in this country includes 20,000 students from Communist countries, 9,000 visitors from Communist countries and over 4,000 Communist diplomats and commercial representatives based in the U.S. One-third of these diplomats and commercial representatives are believed to be involved in intelligence gathering efforts. We do not have enough personnel to keep track of everyone who comes

into the country with an intelligence gathering mission, and therefore public awareness is important to our efforts.

And Susan Schnitzer added: "Foreign agents are stealing information [from libraries]. The New York office has a large number of documented cases." Indeed, Representative Owens was told by the Bureau that there had been fifty such incidents in the past twenty-five years.

But civil libertarians and librarians are not convinced. Edith Tiger, director of the National Emergency Civil Liberties Committee, calls the F.B.I. program "harassment of librarians." Owens describes it as "another example of President Reagan's info-phobia." In a recent interview with the College Press Service, Jaia Barrett of the Association of Research Libraries wondered: "What's the next step? Classifying road maps because they show where bridges are for terrorists to blow up?" (The F.B.I. says, "It's a voluntary program to educate librarians [about the danger of spies], just as we educate defense contractors.") Judith Krug of the American Library Association's Office for Intellectual Freedom complains, "The F.B.I. thinks libraries are an untapped mechanism to enhance law enforcement."

"We're not asking librarians to play 'Junior F.B.I.,'" said Schnitzer, but Representative Don Edwards, chair of the House Subcommittee on Civil and Constitutional Rights, believes the Bureau is. "We have protested mightily," he said. "We have to stop it."

What, exactly, can American libraries have in their open stacks that the F.B.I. considers so dangerous? Mainly scientific, technical and economic data that are not classified and are available worldwide to the general public in scholarly journals and books.

Although in a briefing to the Senate Intelligence Committee the F.B.I. said that libraries in only the New York City area were being contacted, through various sources I have located fourteen libraries across the country that have been targets of F.B.I. inquiries within the past six years. Five of them are in New York State; the others are in California, Florida, Maryland, Michigan, Ohio, Pennsylvania, Texas, Wisconsin and Virginia.

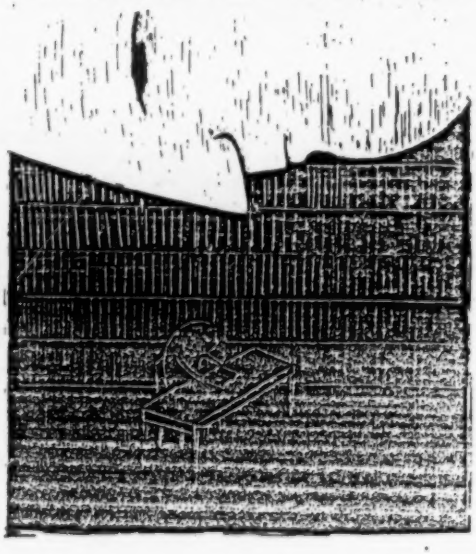
These libraries have had a total of twenty-one visits from F.B.I. agents. The vast majority of those occurred in 1986 and 1987, with the rest in 1982 and 1985 and no reported visits in 1983 or 1984.

Librarians said that agents invoked "national security," "counterintelligence," "hostile foreign agents" or "anti-terrorism" in asking for cooperation. One agent flashed a copy of a 1982 *U.S. News & World Report* article titled "Drive to Keep Secrets Out of Russian Hands." "There was a heavy patriotic theme," University of Michigan engineering-transportation librarian Maurita Peterson Holland recalled. "The agent appealed to my sense of adventure," said University of Cincinnati reference librarian Margret Lippert. Agent X told me, "An agent's going to impress upon librarians that the free world will fall unless the library cooperates. He cons a person."

"I felt intimidated," recalled Sylvia Evans of the University of Maryland's chemistry library. "The agent said these people are not U.S. citizens and should not be protected." The F.B.I. man who approached director Selma Algaze of the Broward County Library in Fort Lauderdale, Florida, "tried to appeal to my sense of patriotic duty, and there was an implied threat that I should do what he asked. He said, 'We know for a fact that there are agitators in this area who are using the library for information.' When I asked for specifics, I was told that it was privileged information. He wanted to look at our computer. I said that 'what you're asking is privileged information to us; too.'"

When agents asked to monitor books checked out by interlibrary loan at the University of Houston, counsel Scott Chafin told them, "Absolutely no! If they have a problem with Soviet scientists, they should not let them in. Librarians are not going to do the work of the F.B.I." An agent also wanted to track patrons' computer data base usage there and told the librarian, "Certain Russians are acquiring economic materials which could benefit them." This librarian, who asked not to be identified, said, "It's preposterous—you can dial up these data bases from Moscow!" On October 16, 1986, an agent asked the main library at Pennsylvania State University about an interlibrary loan of a dissertation requested by the East German Embassy. And at the University of Cincinnati an agent who had made a 1985 request for the reading list of a Soviet citizen returned the following year to ask for data on another Soviet scholar. Head librarian Dorothy Byers refused the request. (Visits may have begun as early as 1976 or 1977, according to one librarian, who remembers inquiries about a Polish student around that time.) "I resented being pulled into this," Byers said. "The information community shuts down if you try to limit it. In the 1986 visit, the agent was pushy and went to a clerk, who was all excited and caught up in the mystery of it."

Indeed, agents seem to have the greatest success with the clerks, most of them students. "The clerks rarely know the laws," said Leanne Katz of the National Coalition Against



Censorship. "The F.B.I. does it very informally for this reason. The more informal, the more reports they can get." Judith Krug of the American Library Association confirmed this: "The clerks are almost defenseless. The agents flash their badges at . . . nonprofessionals who have the mentality of, 'You want the records, here they are.'"

At most libraries the agents were told that the information requested could not be divulged because of state laws governing the confidentiality of library records. Since 1970 thirty-eight states have enacted such statutes. Most agents did not press their request after this; a few, however, returned again and again. In one city, they kept calling weekly, even after the "suspect" had left the country. Their final message was, "Look out for anyone else suspicious." At the University of California, Los Angeles, Engineering, Mathematical and Sciences Library, an agent said, "Everything can remain confidential—it's your duty to cooperate." And at the Broward County Library, an F.B.I. agent said, "Don't you think we could just bypass all this nonsense?"

A college official in Virginia admitted that its library did not "turn the F.B.I. down firmly enough." The F.B.I. wanted the library to suspend the borrowing privileges of a Soviet patron who was reading material about missile sites. The college official said, "Many of our money people are those who would say we should have cooperated. We didn't do anything, one way or another. I was told by our president to 'not be in.' After the January 23 visit, the agent called every day for a month! Finally, the agent came in person and said, 'It sounds like she'll never be in,' and my secretary said, 'You're right.'" In another instance, a library gave the F.B.I. permission to observe a suspect's "habits" as long as the surveillance "did not disrupt service to other scholars."

A few agents threatened to obtain a court order, but only at the research library of the State University of New York, Buffalo, did they do so. The library was compelled to turn over the data base search list requested by an Iraqi student—who by that time, the Bureau claims, had already returned home, according to Stephen Roberts, associate director of libraries. Roberts said, "The agent remained very confident. I once asked him, 'Where did you park?' because parking is often a problem around the library. He answered, 'I parked wherever I wanted to.'"

Sometimes the agents were interested in a specific reader. At the University of Michigan's Engineering-Transportation Library, for example, it was a visiting Russian math professor studying graph theory who was spending too much time at the photocopying machine. At the Engineering Library of the University of Cincinnati agents inquired about the borrowing habits of a Russian scholar because, although he was studying mining engineering at home, in Ohio he sought material on robotics. Alexander Rolich, a Soviet and East European bibliographer at the University of Wisconsin, Madison, Memorial Library, reported this vignette of the F.B.I. in action: Two agents watched a Soviet scholar, whose specialty was the Chinese economy, while he took a break to read *Pravda*. Then, Rolich said, "There were two more people by the library elevator and they were wearing raincoats and boots and it wasn't raining. A couple of days later, the F.B.I. called to say this Soviet scholar had been identified by a defector as having been present at a meeting with the K.G.B. They wanted to know if the newspaper he was reading looked funny, or like it had been marked up."

Other agents were vague in their requests. At the Brooklyn Public Library's science and industry division, a polite young agent flashed his badge and asked a librarian, who refused to be quoted by name, "to look out for suspicious-looking people who wanted to overthrow the government. I told him we don't have any secret documents here."

Asked how librarians were supposed to recognize suspicious-looking people, the F.B.I.'s Schnitzer told me, "You know when you see them. Someone who is looking for students, for instance. We're asking librarians to report this. If you spot it, tell us, and we'll take it from there."

At New York University's Courant Institute of Mathematical Sciences, the F.B.I. asked to monitor photocopying and data base usage. "Two or three months later," according to N.Y.U.'s head librarian, Nancy Gubman, "I received a phone call from another F.B.I. agent who stated that he was following up on 'you know what.'" At Columbia University's Mathematics and Science Library, the F.B.I. tried its approach-a-clerk routine, but a librarian overheard the conversation, interrupted it and told the agents—two young women in their late 20s—to leave. The librarian, Paula Kaufman, who is also acting vice president for information services, said, "The agents . . . did not press me." In 1982, however, according to a source, the F.B.I. "coerced" a student Engineering Library employee to inform for them over a period of "many months." After graduation, the student confessed his activities and was amazed when told that the university could have taken legal action to protect him from the F.B.I.'s threats.

Although the *New York Times* story last September suggested that the New York Public Library had not been approached, and a Bureau official recently confirmed this, that is not the case. In the spring of 1987 agents asked the economics and public affairs division at the Forty-second Street branch about a specific person. According to Paul Fasana, director of research libraries, the agents returned in November and inquired about two staff members who no longer worked for the library. They were not given any information. The agents told Fasana that the Library Awareness Program "has been misrepresented." On November 24, a lone agent spoke to top library officials, who again refused to cooperate.

One New York library official told me about a more shocking encounter, on the condition that names and locale be concealed. Two Hispanic agents went to the home of a library employee on a Saturday afternoon to inquire about some documents—"not subversive"—that had been recently donated to the facility by the Cuban mission to the United Nations. The agents referred to telephone conversations and photographs, leading the employee to believe that a phone tap and a hidden camera had been used. (The library later determined that there had indeed been a tap.) When he became flustered and started speaking in Spanish, the agents refused to acknowledge that they understood him. The visit

lasted for forty minutes, and the employee immediately reported it to a senior policy group at the library. According to a member of this group, "The F.B.I. was told not to contact anyone, and they went ahead and did it anyway. They are escalating this awareness thing." On March 2 the head of the library met with James Fox of the F.B.I.'s New York office. A library official said of this meeting, "Its purpose was to say we felt we were being harassed. Mr. Fox was terribly charming and said we had to understand what the F.B.I. is charged by Congress to do."

Despite the widespread resistance to the Library Awareness Program among librarians, the F.B.I. claims that some institutions are secretly participating. "Librarians can't admit they're cooperating with us, due to the program's controversial and confidential nature," the Bureau told me. "Plus there's the risk of alienating people. A librarian won't say; it would make them suspect." What is more, the Bureau maintains that no less than the head of one library association is coordinating agents' visits.

Which one could it be? It is unlikely to be the New York Library Association, the American Library Association or the Association of Research Libraries, all of which have vigorously opposed the Library Awareness Program. The A.R.L. has sent its 100 U.S. members copies of the A.L.A.'s code of ethics and has kept them informed of incidents of governmental intimidation. Nor, almost certainly, is it the American Society for Information Sciences, whose executive director, Linda Resnik, told me, "I wouldn't define anything we are doing as working with the F.B.I. In fact, as temporary editor of one of the magazines we publish, I called *them* to find out about the program."

A spokesperson for the United States National Commission on Libraries and Information Science, a policy board created in 1970 to advise the President and Congress, told me that the commission had not taken a stand on the program and had seen "nothing in writing about it." However, the Bureau said that at the commission's request it provided "a nonclassified briefing" on the program on January 14.

Recently, a copy of the eighty-page transcript of this briefing (with nearly fifty classified lines blacked out) was obtained by Toby McIntosh of the Bureau of National Affairs. The commissioners were told, among other things, that the Russians have recruited professional librarians and "think it's better to recruit two librarians . . . [than] three engineers." Jerald Newman, head of the commission, defended the program and said "the real problem . . . is the Intellectual Freedom Committee" of the A.L.A. The F.B.I.'s Thomas DuHadway replied, "We're not attempting to speak to the libraries that are controlled by them." Moreover, a source informed me that just prior to this briefing the commission was told that the Bureau was working with two executives of a single library organization, one of whom was based in New York and the other in Washington.

When I asked the F.B.I. for the name of the association, I was told, "We have coordinated the program with the Specialized Libraries Association, but we can't say who we are dealing with there." There is a Special Libraries Association in Washington, but David Malinak, the director of communications, said, "It's not us." He said that the question of participating in the Library Awareness Program had come up at a board meeting last October, but no action was taken. Malinak says he recently complained to the F.B.I., "It's going to look like us in print, and it's *not* us" but was told he could not be given any more information.

Confused, I went back to the F.B.I., which told me that the Specialized Libraries Association was actually a "generic" name. "We can't give you the real one," a spokesperson explained. "But the head of the association has endorsed the program. There's probably not an association that would say they are it. . . . They wouldn't admit it because it would be confidential. There'd be no advantage to exposing it."

Another source told me, however, that it very probably was the Special Libraries Association and that collaboration "was coordinated mostly through the New York office." The S.L.A. has no New York office, although a chapter president does live in the city. The Washington office gave me a name and number, but the person I reached was outraged and did not want to appear to be cooperating with me, the F.B.I. or anyone else. This "generic" human being said to me, "How did you get my name? I'd prefer not to comment. I am not in any official capacity. I'm not on the board. I am simply a volunteer. Don't use my name, my state, my position, or it will all border on the inaccurate."

When asked how he would feel if he learned that he had been identified as the Special Libraries Association person who was working with the F.B.I., he replied, "I prefer not to comment on the Library Awareness Program. I don't have an opinion one way or another, and I don't know how I'd feel. I'd have no reaction at all."

Was that subterfuge? Intimidation? Innocence? Guilt?

And how will the F.B.I. answer its critics? Agent X says, "They'll discontinue the program for a while. When the fire is up, you back off." The F.B.I. maintained, "It would not be wise to say we are cooling it," yet it later conceded that "maybe things should be modified." The Washington-based National Security Archive, a repository for contemporary material, has two requests for Library Awareness Program files pending under the Freedom of Information Act. The F.B.I. said it is "in process to see what, if anything, can be declassified, but we doubt that anything can be."

Since Director Sessions had told me in our interview that the program was "logical," I called to ask him if he saw a logical end to it. This was his answer:

> Our efforts to identify and neutralize the threat posed by hostile intelligence services and their agents in the U.S. must be continued as long as a threat to our national security exists. Likewise, we must continue to inform the American public, especially those in an area where intelligence contact may be attempted, of the activities of Soviet and hostile intelligence services. This is a continuing process that is essential to the national security of our country.

In short, the end is not in sight. Or, as an F.B.I. spokeswoman put it, "There's no logical end as long as there's something out there to be aware of." And for the F.B.I., there has always been "something out there." □

Senator SIMON. But I guess it gets to a broader question. I served in something nobody here would remember when I was in the Army——

Mr. SESSIONS. Try me.

Senator SIMON [continuing]. Called the Counter-Intelligence Corps.

Mr. SESSIONS. Yes, sir.

Senator SIMON. We received our training at Fort Holibird in Maryland and I remember receiving that training and it was so one-sided. Fredric March contributed to the Yugoslav Children's Fund; therefore, Fredric March, you know, has to be suspect. But the side of civil liberties was not stressed at all.

As you train agents for the FBI, are you providing that civil liberties side of things?

Mr. SESSIONS. I believe we are, but what I should do in answering the question is provide you the specific course analysis that is taught at Quantico as the basic teaching in connection with their responsibility in first amendment, and I will be glad to do that, Senator.

Senator SIMON. I would appreciate that.

Mr. SESSIONS. The second thing I would invite you to do or to have one of your staff do if it is not available for you in time is to actually go down to the academy at Quantico and participate and listen and see how adequate that is from your perspective.

Senator SIMON. I would appreciate that opportunity.

Then, finally, in this whole area of drug administration, do you feel that we now have cooperation among the agencies that is adequate in dealing with this problem?

Mr. SESSIONS. The National Drug Policy Board—and I do not sit on the Board itself, but I sit on a segment of it—is made up of those agencies that have drug responsibility. As to whether or not we have full cooperation, I cannot tell you that, sir, because I do not interface with all those agencies all the time.

I would say this, that with the DEA and the FBI, who have a principal responsibility here in the continental United States—Jack Lawn, the Administrator of the DEA, and I have, as you well know, a long-term relationship. It has been as a result of our meetings that we have evolved with the joint drug plan between the DEA and the FBI to be sure that we not only have cooperation on turf, but we also make the maximum use of the DEA's resource and the FBI's resource because, as you know, we together have a grand total of about 18 percent or 17 percent of the total drug enforcement money in the country. They have about 14 and we have about 3 or 4, so it is very important that we utilize our resources very carefully.

I would say that it is always difficult—and this question has been asked of me several times about turf battles—it is always difficult when you have agencies with a specific area of assignment that lapse over into another area where another agency has an area of assignment as well.

When there is vigorous pursuit of that, there is bound to be friction and the main thing is to eliminate that where we can so that we do not have a waste of resources because they are precious to us.

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Senator SIMON. Then, finally, I do not see it here right now, but I notice you are targeting certain cities.

Mr. SESSIONS. Yes, I can tell you those.

Senator SIMON. One of those is Chicago.

Mr. SESSIONS. That is correct.

Senator SIMON. I am provincial enough to have taken a special interest in that. I would be interested in getting a report, say, every 3 months or so from you or someone in the FBI to get a feel for whether we are making progress, whether this really is working.

Mr. SESSIONS. I would be delighted to do that.

Senator SIMON. Also, when you concentrate on Chicago, is it like a balloon that just bursts out somewhere else or can we really get a hold of this monster?

Mr. SESSIONS. If I might discuss for a moment the joint drug plans and where they are, Chicago is one, New York is another. In fact, it was New York that inspired it. In New York, Tom Sheer, who is the Assistant Director there, then gave credit to Tom Kelly, who is now the Deputy Administrator at DEA, for initiating that type of program in Dallas.

But the concept of it is that we will not here in Washington simply superimpose upon these people a program, but rather we will allow that program to develop there as long as it is compatible with the national drug strategy.

So what happens in New York and Chicago and Miami and Houston, San Diego and Los Angeles is that those joint drug plans are brought together, approved by Bureau headquarters as compatible with the mission of each one and compatible with the use of the resources.

So, there, I believe that we have a basis for cooperating fully with the Organized Crime Drug Enforcement Task Forces in the 12 cities where they operate, one of which is Chicago, so there is no conflict.

It is an effort to do precisely what you are talking about, and that is bring about the maximum cooperation and the maximum use of resources of those agencies that are involved.

Senator SIMON. If all of a sudden tomorrow the President of the United States were to say to you, Judge, you are going to be the new drug czar of this country——

Senator LEAHY. Run like hell. [Laughter.]

Senator SIMON. I realize this is a quick answer, and superficial, but would you be doing something appreciably different than we are doing right now?

Mr. SESSIONS. Well, you are right; that is not a yes or no answer, Senator. I know this, that it is extremely important that we attack some of the areas that are of concern to the U.S. Senate and the Congress.

I think demand reduction is extremely important. I think being able to do something about supply is extremely important. We within the Bureau have made our own efforts directly responsive—by the way, led by DEA; DEA had demand reduction coordinators in their offices. We have now created those and we are hoping to be able to do that educational program that will help in the area of demand reduction.

To me, I think the National Drug Policy Board is fully capable of giving proper direction. Now, whether that is interpreted and converted into operational emphasis or not, I cannot tell you.

If I were suddenly converted into a drug czar, it would mean that you would have to look at the resources you have got and see how practically to apply them to the problem. For instance, you can suspect that the Director of the FBI would not be concerned right now with interdiction, and I know a massive part of the budget money goes to interdiction, and I do not fault that. I do not find any problem with that at all.

You know, what are you going to do, let it come in? No. The answer is if you can stop it, stop it. But I, as the Director of the FBI, believe very strongly in pursuing what our national drug policy takes us to pursue, and that is the invasion of and the destruction of drug trafficking organizations. So you would expect me to have that emphasis and that thrust.

Senator SIMON. If I can just ask you to reflect on this a little bit, 2 weeks from now send me a letter.

Mr. SESSIONS. Send it by mail? [Laughter.]

Senator SIMON. Tell me what you would do if you were designated drug czar.

Senator LEAHY. That is okay. We are going to be in session until January 3rd of next year anyway, so you will have plenty of time to get it here.

Mr. SESSIONS. I will do that, Senator. I will try to respond.

Senator SIMON. Great, and I thank you for your good work.

Mr. SESSIONS. Thank you, sir.

Senator SIMON. Thank you, Mr. Chairman.

Senator LEAHY. Let me ask you—and I will just wrap up because I know you have other things to go to, but if you are making a decision to open or even continue an ongoing investigation, does the Bureau have standards that provide for a more detailed level of scrutiny, either at supervisory levels or whatever, when the investigation might take the Bureau into a church or a library or other places that we associate with the first amendment rights of free assembly and speech and practice of religion?

Mr. SESSIONS. Yes, there are. Yes, in connection with undercover operations, there is the Undercover Operation Review Board. When we are going in there where areas are involved in recruiting, for instance, somebody who will be inside that particular organization, the area of review, I think, is either the Director or the EAD. I think it is the Director. I have not had that circumstance arise, but I would be glad to answer that.

Senator LEAHY. Thank you.

Again, I would like to see these reports on the library awareness program. If some are classified, we will set up the appropriate procedures to handle the classified material.

Mr. SESSIONS. There are three of them. One is top secret, one is secret, and the one that I have given you here today is an unclassified report and I will tender it for you.

Senator LEAHY. We will work with your office on looking at the classified ones, also.

Mr. SESSIONS. I will be glad to brief you on that.

Senator LEAHY. And I will keep the record open for questions from other Senators.

One thing you were saying earlier, and I could not agree with you more, is that it is difficult for an agent to come up and say to the Director, by the way, Judge, I want to tell you there is a real screw-up in the organization and it involves my superior, or whatever.

Nobody has any problem with that, but when you were saying that I was reminded of something I had been reading up at my farm in Vermont over the weekend that was in the New York Times, which we in Vermont refer to as a southern newspaper.

I was reading the article in the Times Sunday Magazine, which I am sure you have seen.

Mr. SESSIONS. I have not seen it, but I am aware of it.

Senator LEAHY. Mr. Unger in his article says in one part:

> An agent in the FBI's press office who had been assigned to deal with my request said he did not believe that any agent would dare to talk to me without official permission and monitoring "because that would violate the rules." That attitude used to be known in FBI parlance as the "for reals," a tendency to believe mistakenly that reality corresponded to official Bureau descriptions of it. One thing had not changed at all. None of the agents who spoke freely with me would allow his name to be used. "It is just not worth it," said one. "If you say something wrong or even something right that sounds wrong, your life could be made miserable by an SAC," or Special Agent in Charge, "who does not like you." Accordingly, many of the agents quoted here must remain anonymous.

Without going into this article, whether it is accurate or inaccurate, I think most of us would say it is disturbing. You know, I have had some in the FBI talk with me privately over the years even before I was in the Senate, certainly since I have been here, and especially since I became a member of the Judiciary Committee.

If I left you with any advice—and it is advice, I think, that is probably unnecessary because I think you know the situation anyway—it would be this: it is going to be difficult in some of these areas to get that kind of openness, and I encourage you to do everything possible to keep that kind of a no-fault channel open.

I realize that it is difficult. You also do not want to put in a mechanism where somebody can damage the career of somebody else just by sending out baseless comments. But you have got to have some kind of a no-fault channel to the Director for those times when things are going wrong. If there are things which somebody sitting there and looking at it can say is not right, is not what the FBI stands for, does not meet the standards of what is supposed to be the most professional law enforcement agency in the world, he or she has got to be able to go to a superior and say, hey, take another look at this, and that person should know that it will be done.

Mr. SESSIONS. It is very hard to do, and when Senator Simon was speaking about those matters and I was thinking about Los Angeles again, I remember being almost mobbed with questions about overtime and about the payment of overtime and about cost of living, these things which were of direct and immediate economic concern to them, but might not have been the type of deep, troubling area that you are discussing.

But I would say this. I know that Mr. Unger did not reveal the sources, but most media people do not. It is always difficult to actually find a source that is going to come forward and to talk with you candidly, but I believe that there has been a good deal of candor from the agents and the support people that I have met with.

Some of the questions are very difficult and I have approached it by saying you need to know that I am here to deal with problems, and problems do not worry me. I try to solve them, try to deal with them if I can. If you have got them, tell me about them, and I have gotten some of the responses in writing of those things that have a group protection in that sense.

So I think it is important to be very open to it and I appreciate your advice, sir.

Senator LEAHY. Well, that also helps us in our oversight responsibility.

I will keep the record open for one week for any further written questions. Judge, I appreciate your being up here.

Mr. SESSIONS. Thank you, Mr. Chairman. It is a pleasure to be here.

[The statement of Mr. Sessions follows:]

OPENING STATEMENT

OF

WILLIAM S. SESSIONS

DIRECTOR

FEDERAL BUREAU OF INVESTIGATION

COMMITTEE ON THE JUDICIARY

UNITED STATES SENATE

WASHINGTON, D.C.

MAY 17, 1988

MR CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I AM PLEASED TO APPEAR BEFORE THIS COMMITTEE. A REVIEW OF THE FBI'S PROGRAMS, RELATED BUDGETS, AND OVERSIGHT MATTERS PROVIDES ME WITH THE OPPORTUNITY TO EXPRESS MY VIEWS AS TO WHERE THE FBI STANDS TODAY AND HOW WE INTEND TO FULFILL OUR FUTURE RESPONSIBILITIES TO THE NATION.

THIS MORNING, I WILL BRIEFLY DETAIL SOME OF THE MORE SIGNIFICANT ACCOMPLISHMENTS OF THE FBI IN EACH OF ITS FIVE NATIONAL PRIORITY PROGRAMS; THE ORGANIZED CRIME PROGRAM, WHICH INCLUDES INVESTIGATIONS OF TRADITIONAL GROUPS SUCH AS THE LA COSA NOSTRA (LCN); THE DRUG INVESTIGATION PROGRAM; THE COUNTER-TERRORISM PROGRAM, WHICH INCLUDES FBI RESPONSIBILITIES FOR PREVENTING, INTERDICTING, AND INVESTIGATING THE ACTIVITIES OF DOMESTIC AND INTERNATIONAL TERRORIST GROUPS AND INDIVIDUALS; THE FOREIGN COUNTERINTELLIGENCE PROGRAM, WHICH IS RESPONSIBLE FOR IDENTIFYING FOREIGN INTELLIGENCE OFFICERS AND THEIR AGENTS OPERATING IN THE UNITED STATES IN ORDER TO PREVENT THEM FROM SUCCEEDING IN THEIR EFFORTS TO ACQUIRE AMERICA'S MILITARY AND TECHNOLOGICAL SECRETS; AND THE WHITE-COLLAR CRIME PROGRAM, WHICH INCLUDES INVESTIGATIONS OF GOVERNMENT FRAUD, PUBLIC CORRUPTION AND FINANCIAL CRIMES.

ORGANIZED CRIME

ORGANIZED CRIME CARTELS WHICH SOW THE SEEDS OF VIOLENCE AND CORRUPTION MUST NOW RECKON WITH A WELL-COORDINATED NATIONAL STRATEGY, BROUGHT ABOUT BY AN EVOLUTIONARY CHANGE IN THE BUREAU'S

INVESTIGATIVE PHILOSOPHY TOWARD ORGANIZED CRIME GROUPS. THE FOUNDATION OF THE STRATEGY IS THE ENTERPRISE THEORY OF INVESTIGATION, FOCUSING ON THE ORGANIZED CRIME GROUP ITSELF AS THE "ENTERPRISE" IN A RACKETEER INFLUENCED AND CORRUPT ORGANIZATION (RICO) PROSECUTION OR CIVIL ACTION.

JUDGING FROM RECENT SUCCESSFUL INVESTIGATIVE EFFORTS, I AM CONVINCED THAT THE THREAT POSED BY SUCH GROUPS HAS BEEN, AND CAN CONTINUE TO BE SIGNIFICANTLY REDUCED. THE FBI'S INVESTIGATIONS OF THE LA COSA NOSTRA HAVE REACHED A SCALE UNPRECEDENTED IN TERMS OF SIZE AND COMPLEXITY, AND INVOLVE ELEMENTS OF LABOR RACKETEERING, DRUG TRAFFICKING, GAMBLING, LOANSHARKING, MURDER, KIDNAPING AND EXTORTION. IN ADDITION, THESE INVESTIGATIONS HAVE CLEARLY ESTABLISHED THAT THE ILLEGAL PROFITS FROM THESE ACTIVITIES ARE OFTEN FUNNELED THROUGH ELABORATE MONEY-LAUNDERING SCHEMES INTO OTHERWISE LEGITIMATE BUSINESSES.

THE CONGRESS HAS CONSISTENTLY DEMONSTRATED ITS STRONG SUPPORT FOR OUR EFFORTS AGAINST ORGANIZED CRIME. PERHAPS NO PIECE OF LEGISLATION HAS CONTRIBUTED MORE TO THIS EFFORT THAN THE RICO STATUTE. THE RICO STATUTE HAS PROVIDED THE FBI WITH WHAT MAY BE ITS MOST EFFECTIVE WEAPON AGAINST THE VERY STRUCTURE OF AN ORGANIZED CRIMINAL ENTERPRISE. SINCE THE INCEPTION OF THE ENTERPRISE THEORY OF INVESTIGATION IN 1981, MORE THAN 1000 LCN MEMBERS AND ASSOCIATES HAVE BEEN CONVICTED IN FEDERAL COURTS AND SENTENCED TO PRISON. IN ALL, SINCE 1981, 19 LCN BOSSES, 13 UNDERBOSSES, 4 CONSIGLIERIES, AND 43 CAPODECINAS FROM 20 DIFFERENT FAMILIES THROUGHOUT THE COUNTRY HAVE BEEN CONVICTED.

IN 1987 ALONE, THE FBI'S INVESTIGATIVE EFFORTS IN THE ORGANIZED CRIME AREA RESULTED IN 696 INDICTMENTS, 64 INFORMATIONS, AND 679 CONVICTIONS AND PRETRIAL DIVERSIONS. THESE NUMBERS ALONE DO NOT ADEQUATELY DESCRIBE THE EFFECT THE FBI HAS HAD ON THE LCN.

ONE OF THE FBI'S MORE SUCCESSFUL ORGANIZED CRIME INVESTIGATIVE AND PROSECUTIVE EFFORTS REACHED ITS CULMINATION IN NEW YORK IN 1987, WHEN IN THE "LCN COMMISSION CASE," SEVEN CURRENT OR FORMER LCN COMMISSION MEMBERS WERE CONVICTED AND SENTENCED TO 100 YEARS INCARCERATION.

DRUG INVESTIGATION

WHILE SOME HAVE SUGGESTED THE FBI IS OUTMANNED, OUTGUNNED, AND OUTSPENT BY DRUG TRAFFICKING ORGANIZATIONS SUCH AS THE MEDELLIN CARTEL, I WANT TO ASSURE THIS COMMITTEE THAT I BELIEVE THE FBI'S EFFORTS CAN AND ARE BEING SUCCESSFUL AGAINST THESE TYPES OF GROUPS. DRUG TRAFFICKING REMAINS ONE OF THE MOST CRITICAL AND DEVASTATING CRIME PROBLEMS FACING THE UNITED STATES TODAY. DRUG TRAFFICKING AND RELATED CRIMINAL ACTIVITY HAS EXPOSED THE FBI TO ORGANIZED CRIME CARTELS IN A MUCH BROADER CONTEXT. WE ARE CONCERNED WITH SICILIAN MAFIA, COLOMBIAN, MEXICAN, AND ORIENTAL ORGANIZED CRIME GROUPS, AS WELL AS EMERGING GROUPS SUCH AS VIETNAMESE, RUSSIAN AND JAMAICAN ORGANIZATIONS THAT HAVE BECOME ACTIVE IN THE RECENT PAST.

IN COORDINATION WITH THE ATTORNEY GENERAL AND THE NATIONAL DRUG POLICY BOARD, THE FBI HAS SOUGHT TO MAXIMIZE ITS EFFECTIVENESS IN THIS CRUCIAL AREA THROUGH THE DEVELOPMENT OF THE NATIONAL DRUG STRATEGY. IN THE YEAR-AND-A-HALF SINCE THIS

STRATEGY WAS IMPLEMENTED IN 1986, A DRAMATIC OVERALL INCREASE IN THE QUALITY OF FBI DRUG INVESTIGATIONS HAS BECOME APPARENT. THE FBI'S INVESTIGATIVE EFFORTS ARE FOCUSED ON MAJOR DRUG TRAFFICKING GROUPS LARGELY RESPONSIBLE FOR SUPPLYING ILLEGAL DRUG MARKETS IN THE UNITED STATES.

DURING FISCAL YEAR 1987, MULTI-JURISDICTIONAL INVESTIGATIONS USING SOPHISTICATED INVESTIGATIVE TECHNIQUES AGAINST DRUG TRAFFICKING ORGANIZATIONS RESULTED IN OVER 3,400 INDICTMENTS, 2,800 CONVICTIONS, $61.7 MILLION IN SEIZURES, AND $35 MILLION IN FORFEITED ASSETS. THESE STATISTICS INCLUDE RESULTS FROM PROSECUTION OF THE WELL PUBLICIZED "PIZZA CONNECTION" CASE IN NEW YORK CITY. IN MARCH 1987, AFTER 17 MONTHS OF TRIAL, 21 OF 22 DEFENDANTS WERE FOUND GUILTY ON DRUG, MONEY LAUNDERING AND RACKETEERING-RELATED CHARGES. ENORMOUS SUCCESS ALSO RESULTED FROM CASHWEB/EXPRESSWAY, A THREE-YEAR MONEY LAUNDERING CASE, THAT TRACKED OVER $300 MILLION IN COLOMBIAN DRUG PROCEEDS. ANOTHER INVESTIGATION, THE HERRERA MEXICAN TRAFFICKING CASE, EFFECTIVELY DISMANTLED DRUG ENTERPRISES TRAFFICKING IN GREAT AMOUNTS OF MEXICAN BROWN HEROIN.

THE ARREST ON MARCH 31, 1988, OF OVER 200 MEMBERS OF THE SICILIAN MAFIA FOR HEROIN TRAFFICKING IN THE UNITED STATES AND ITALY IS THE LATEST EXAMPLE OF OUR SUCCESSFUL EFFORTS AGAINST ORGANIZED INTERNATIONAL DRUG TRAFFICKING OPERATIONS.

FEDERAL DRUG LAW ENFORCEMENT IS A TEAM EFFORT. SINCE JOINING DEA IN ENFORCING THE CONTROLLED SUBSTANCES ACT IN 1982, THE FBI HAS BROUGHT TO DRUG INVESTIGATIONS SPECIAL SKILLS AND EXPERTISE ADAPTED FROM OUR LONG EXPERIENCE IN TRADITIONAL

ORGANIZED CRIME MATTERS. THE FBI HAS CAPITALIZED ON ITS DEMONSTRATED ABILITY TO CONDUCT LONG-TERM, SUSTAINED INVESTIGATIONS USING THE MOST SOPHISTICATED ELECTRONIC SURVEILLANCE AND UNDERCOVER TECHNIQUES. TO MAXIMIZE OUR IMPACT IN DISMANTLING DRUG ORGANIZATIONS, THE BUREAU HAS ENLISTED THE COOPERATION OF DEA IN IMPLEMENTING A JOINT DRUG PLAN (JDP). THE TENETS OF THE JDP ARE IDENTICAL TO THOSE OF THE FBI'S OVERALL NATIONAL DRUG STRATEGY.

THE COMBINED MANPOWER AND RESOURCES OF THE JDP ARE DIRECTED AT THOSE COLOMBIAN, MEXICAN AND ASIAN DRUG TRAFFICKING ORGANIZATIONS POSING THE GREATEST THREAT TO THE UNITED STATES. ADMINISTRATOR LAWN AND I HAVE SELECTED PRIMARY FIRST-AND SECOND-LEVEL DRUG DISTRIBUTION CENTERS FOR INITIAL JDP ATTENTION: MIAMI, NEW YORK, HOUSTON, CHICAGO, LOS ANGELES AND SAN DIEGO. ONCE THE JDP CONCEPT DEMONSTRATES ITS VALUE IN COMBATING DRUG TRAFFICKING, I EXPECT THAT THIS PROGRAM WILL BE EXPANDED TO OTHER MAJOR DRUG DISTRIBUTION CITIES. AS PART OF MY RESPONSIBILITY IN PROVIDING GENERAL SUPERVISION OVER THE DEA, AS MANDATED BY THE ATTORNEY GENERAL'S DIRECTIVE, I WILL PROVIDE MY PERSONAL OVERSIGHT TO ENSURE THAT COOPERATION AND COORDINATION BETWEEN OUR AGENCIES CONTINUE.

THE DEMAND AND SUPPLY SIDES OF THE DRUG EQUATION ARE INEXTRICABLY LINKED. COMPLEMENTING OUR DRUG LAW ENFORCEMENT EFFORTS, THE BUREAU HAS FOR YEARS, ALONG WITH DEA, TAKEN EVERY OPPORTUNITY TO WARN THE PUBLIC ABOUT THE DIRE CONSEQUENCES OF DRUG ABUSE. THROUGH THE FBI/DEA SPORTS DRUG AWARENESS PROGRAM, THAT MESSAGE HAS BEEN BROUGHT HOME TO HUNDREDS OF PROFESSIONAL

AND COLLEGIATE ATHLETES -- THE PRINCIPAL ROLE MODELS FOR AMERICA'S YOUTH.

OUR MANAGEMENT PERSONNEL FIELDWIDE ROUTINELY LECTURE SCHOOL AND COMMUNITY GROUPS ON DRUG DEMAND REDUCTION, DISTRIBUTING PRINTED, AUDIO AND VIDEOTAPE MATERIAL TO UNDERPIN THAT CAMPAIGN. MOST RECENTLY I HAVE FOLLOWED AN INITIATIVE BY DEA AND DIRECTED THE ESTABLISHMENT OF A DRUG DEMAND REDUCTION COORDINATOR POSITION IN EACH OF OUR FBI FIELD OFFICES. EXPERIENCED AGENTS FILLING THOSE POSITIONS WILL FURTHER ENHANCE OUR DRUG DEMAND PROGRAM.

WITH OVER 1100 AGENTS DEDICATED TO DRUG INVESTIGATIONS, WE WILL CONTINUE TO PURSUE THE TRAFFICKERS AND THEIR ILLEGAL PROFITS, WHILE CONTINUING OUR COMMITMENT TO PROVIDE ASSISTANCE TO OTHER FEDERAL, STATE AND LOCAL LAW ENFORCEMENT AGENCIES.

COUNTERTERRORISM

THE FBI'S COUNTERTERRORISM PROGRAM WAS ELEVATED TO A NATIONAL PRIORITY PROGRAM IN 1982. SINCE THEN THE NUMBER OF TERRORIST INCIDENTS IN THE UNITED STATES HAVE GENERALLY DECLINED. FIFTY-ONE INCIDENTS WERE RECORDED IN 1982, AND THESE NUMBERS WERE REDUCED TO 24 IN 1986, 16 OF WHICH WERE BOMBINGS OR ATTEMPTED BOMBINGS IN PUERTO RICO. IN 1987, THIS NUMBER DROPPED TO SEVEN INCIDENTS, ALL OF WHICH WERE BOMBINGS OR ATTEMPTED BOMBINGS OCCURRING ON ONE DAY IN PUERTO RICO. AS A RESULT OF INVESTIGATION FOUR TERRORIST INCIDENTS WERE PREVENTED IN 1987.

THE SUCCESS OF THIS PROGRAM, HOWEVER, CANNOT EASILY BE MEASURED IN TERMS OF STATISTICAL ACCOMPLISHMENTS. SUCCESS MAY BE

MEASURED BY WHAT DOES NOT HAPPEN. NO SOCIETY IS MORE VULNERABLE TO TERROSIT INCIDENT THAN OUR OWN, YET WE ARE NOT SPARED THROUGH HAPPENSTANCE. WHILE THE NUMBERS OF VIOLENT TERRORIST INCIDENTS HAVE GENERALLY DECLINED OVER THE PAST SEVERAL YEARS, A NUMBER OF PERSONS IN THE UNITED STATES ARE PARTICIPATING IN ACTIVITIES WHICH ARE IN SUPPORT OF TERRORISM AND MAY BE PREPARATORY TO ENGAGING IN VIOLENT ACTS OF TERRORISM. TO BECOME COMPLACENT ABOUT THE DECLINING NUMBERS OF ACTUAL INCIDENTS WOULD BE DETRIMENTAL TO THE UNITED STATES.

IN THE AREA OF COUNTERTERRORISM, DILIGENCE AND VIGILANCE HAVE PAID OFF. SINCE 1982, THE FBI HAS BEEN ABLE TO PREVENT 55 TERRORIST INCIDENTS FROM OCCURRING, SOME OF WHICH WOULD HAVE RESULTED IN HEAVY LOSS OF LIFE. THIS HAS BEEN POSSIBLE BECAUSE OF THE INTELLIGENCE GATHERING EFFORT WHICH ENABLES US TO BE AHEAD OF A POTENTIAL INCIDENT AND NOT JUST IN A POSITION TO RESPOND TO IT.

IT IS MY BELIEF THAT THE FBI'S COUNTERTERRORISM PROGRAM IS SOUND AND BASED ON A SOLID FOUNDATION, IN CONFORMANCE WITH BOTH THE SPIRIT AND LETTER OF THE LAW. PASSAGE OF LEGISLATION GIVING EXTRATERRITORIAL JURISDICTION, SUCH AS THAT CONTAINED IN THE COMPREHENSIVE CRIME CONTROL ACT OF 1984 AND THE OMNIBUS DIPLOMATIC SECURITY AND ANTI-TERRORISM ACT OF 1986, HAS EXTENDED OUR REACH TO THOSE WHO ATTACK UNITED STATES CITIZENS OR INTERESTS ABROAD. INVESTIGATIONS RESULTING FROM THESE NEW LAWS ARE FREQUENTLY CONDUCTED AT GREAT DISTANCES FROM OUR SHORES AND OFTEN TAKE PLACE IN COUNTRIES WITH VARYING DEGREES OF LAW ENFORCEMENT PROFICIENCY, INCOMPATIBLE SYSTEMS OF LAW, AND DIFFERENT CULTURES.

SOME OF THE INVESTIGATIONS CONDUCTED HAVE INCLUDED THE HIJACKING OF TWA FLIGHT 847 IN LEBANON IN 1985, AND THE HOSTAGE TAKING ABOARD PAN AM FLIGHT 73 IN PAKISTAN IN 1986. IT IS THIS TYPE OF INVESTIGATION WHICH REQUIRES A SUBSTANTIAL AMOUNT OF FBI HEADQUARTERS COORDINATION AS WELL AS TRAVEL OF SPECIAL AGENTS TO COLLECT EVIDENCE, CONDUCT INTERVIEWS, AND CARRY OUT DETAILED INVESTIGATIVE REQUIREMENTS, ALL WITH DEMANDING TIME CONSTRAINTS.

FOREIGN COUNTERINTELLIGENCE

THE FOREIGN COUNTERINTELLIGENCE PROGRAM CONSTANTLY DEMANDS INCREASED ACTIVITY BECAUSE OF THE AGGRESSIVE PURSUIT OF OUR NATION'S MOST VITAL MILITARY AND TECHNOLOGICAL SECRETS BY INTELLIGENCE OFFICERS OF HOSTILE NATIONS. IF THERE IS A LESSON TO BE LEARNED FROM THE JOHN WALKER SPY RING INVESTIGATION OF 1986, AND SUBSEQUENT INTELLIGENCE DAMAGE ASSESSMENTS, IT IS THAT THE FCI THREAT IS NOT ISOLATED TO THE ACTIVITIES OF FOREIGN AGENTS OR ANTI-AMERICAN IDEOLOGUES. TODAY'S SPY MAY BE A DISGRUNTLED EMPLOYEE OR A FINANCIALLY-TROUBLED OR JUST PLAIN GREEDY U.S. CITIZEN. AS DEMONSTRATED BY WALKER'S SUCCESS AT STEALING SECRETS FOR OVER 17 YEARS, THE "SECRETS FOR CASH" SPY IS DIFFICULT TO DETECT. I BELIEVE, HOWEVER, THAT WE CAN INCREASE OUR EFFECTIVENESS BY CONTINUING TO DEVOTE SIGNIFICANTLY MORE RESOURCES TO FOREIGN COUNTERINTELLIGENCE INVESTIGATIONS, AS WELL AS TRAINING IN AND ANALYSIS OF HOSTILE INTELLIGENCE METHODS. THE CHALLENGE TO OUR EXISTING MANPOWER EFFORT COMES FROM A VARIETY OF SOURCES. SINCE GLASNOST, SOVIET VISITORS TO THE U.S. HAVE MORE THAN DOUBLED. THERE ARE APPROXIMATELY 1500 SOVIET OFFICIALS

STATIONED IN THE U.S. AND APPROXIMATELY 4200 OFFICIALS FROM OTHER COUNTRIES WHICH HAVE INTERESTS HOSTILE TO THE UNITED STATES. OUR EFFORTS MUST KEEP PACE AS OUR RESPONSIBILITIES CONTINUE TO GROW. AS AN EXAMPLE, IF THE INF TREATY IS RATIFIED, THERE WILL BE AN ADDITIONAL 30 SOVIET OFFICIALS STATIONED IN MAGNA, UTAH, TO MONITOR U.S. COMPLIANCE WITH THIS TREATY.

THE RESULTS OF INCREASED ACTIVITY AND IMPROVEMENTS IN OUR COUNTERINTELLIGENCE CAPABILITIES ARE DEMONSTRATED BY THE ARRESTS OF 28 INDIVIDUALS FOR ESPIONAGE AND ESPIONAGE-RELATED CHARGES SINCE 1984, AS WELL AS A NUMBER OF OTHER PUBLICIZED AND UNPUBLICIZED INTERDICTIONS OF FOREIGN INTELLIGENCE OPERATIONS IN THE U.S. I SHOULD POINT OUT, HOWEVER, THAT CREDIT MUST BE SHARED. WE CARRY OUT NUMEROUS JOINT OPERATIONS WITH THE OTHER MEMBERS OF THE U.S. INTELLIGENCE COMMUNITY. THIS JOINT COOPERATION RESULTED IN THE ARRESTS OF 9 INDIVIDUALS IN 1987 FOR TECHNOLOGY TRANSFER-RELATED OFFENSES. WE CONTINUE TO WORK CLOSELY WITH THE AGENCIES THAT HAVE THE PRIMARY JURISDICTION IN THESE MATTERS.

IN ADDITION, THE FBI HAS AN ACTIVE COUNTERINTELLIGENCE AWARENESS PROGRAM. OVER THE PAST YEAR, WE CONTACTED AND BRIEFED APPROXIMATELY 7,000 SECRET AND TOP SECRET U.S. GOVERNMENT CONTRACTORS TO INCREASE THEIR AWARENESS OF THE NATURE AND EXTENT OF THE HOSTILE INTELLIGENCE SERVICE THREAT. IN AN EFFORT TO INCREASE PUBLIC AWARENESS, THE FBI PREPARED AN UNCLASSIFIED REPORT ON SOVIET ACTIVE MEASURES WHICH WAS MADE PART OF THE CONGRESSIONAL RECORD ON DECEMBER 9, 1987.

WHITE-COLLAR CRIME

WHITE-COLLAR CRIME IS EXPANDING IN BOTH VOLUME AND COMPLEXITY. THESE CRIMES HAVE HAD THE EFFECT OF UNDERMINING THE PUBLIC'S CONFIDENCE IN AND OPERATION OF SOME OF OUR MOST IMPORTANT INSTITUTIONS, INCLUDING FEDERAL AND LOCAL GOVERNMENT OPERATIONS, FINANCIAL MARKETS AND BANKING, AND THE SAFETY AND PREPAREDNESS OF OUR ARMED FORCES.

THE FY 1987 ACCOMPLISHMENT OF OVER 4,400 CONVICTIONS UNDERSCORES OUR COMMITMENT TO ADDRESSING WHITE-COLLAR CRIME.

FRAUD AGAINST THE GOVERNMENT IS THE TOP INVESTIGATIVE PRIORITY OF THE FBI'S WHITE-COLLAR CRIME PROGRAM. OUR PRIMARY FOCUS IN THIS REGARD IS ON DEPARTMENT OF DEFENSE PROCUREMENT FRAUD, HEALTH CARE PROVIDER FRAUD, AND ENVIRONMENTAL CRIME. IN 1987, SUCCESSES WERE ACHIEVED IN EACH OF THESE AREAS. THE ONGOING DEFENSE FRAUD-BRIBERY-KICKBACK INVESTIGATION OF THE WEDTECH CORPORATION HAS RESULTED IN 19 INDICTMENTS AND 8 GUILTY PLEAS TO DATE. THE INVESTIGATION OF FALSE MEDICARE/MEDICAID BILLINGS AT UNAREX OF MICHIGAN CONCLUDED WITH 65 CONVICTIONS PLUS THE FORFEITURE OF 29 PHARMACIES AND $3,000,000 CASH TO THE FEDERAL GOVERNMENT. THE INVESTIGATION OF PROTEX INDUSTRIES RESULTED IN THE FIRST SUCCESSFUL FEDERAL PROSECUTION UNDER THE "KNOWING ENDANGERMENT" PROVISION OF THE RESOURCE CONSERVATION RECOVERY ACT. SIGNIFICANT FRAUD INVESTIGATIONS CONTINUE IN THESE AND OTHER AREAS OF FEDERAL FUNDING.

IN ADDITION, THE RECORD NUMBER OF FAILED FEDERALLY INSURED FINANCIAL INSTITUTIONS HAS CONTRIBUTED TO A DRAMATICALLY INCREASING NUMBER OF MAJOR BANK FRAUD AND EMBEZZLEMENT

INVESTIGATIONS. EMPHASIS CONTINUES TO BE PLACED ON THE INVESTIGATION AND PROSECUTION OF OWNERS, OFFICERS AND DIRECTORS OF FINANCIAL INSTITUTIONS WHOSE FRAUDULENT ACTS HAVE CONTRIBUTED TO THE FAILURE OF ONE OR MORE INSTITUTIONS. A MAJOR TASK FORCE EFFORT WAS INITIATED IN DALLAS, TEXAS IN 1987, TO ADDRESS ALLEGED WIDESPREAD FRAUD IN THE TEXAS SAVINGS AND LOAN INDUSTRY. FBI OFFICES IN THE MIDWEST AND SOUTHWEST REGIONS ARE INVOLVED IN A SIGNIFICANT NUMBER OF BANK FAILURE INVESTIGATIONS DUE TO THE NATURE AND SEVERITY OF BANK FAILURE PROBLEMS IN THOSE AREAS.

FURTHER, DURING FY 1987, THERE WERE 317 CONVICTIONS IN PUBLIC CORRUPTION-RELATED MATTERS. FEDERAL, STATE, AND LOCAL OFFICIALS AT MANY LEVELS OF GOVERNMENT WERE SUCCESSFULLY PROSECUTED. IN ANTICIPATION OF THE GENERAL ELECTION IN NOVEMBER, THE FBI HAS EARMARKED ADDITIONAL RESOURCES TO ADDRESS ELECTION-RELATED CRIMINAL VIOLATIONS WHICH STRIKE AT THE INTEGRITY OF OUR SYSTEM OF GOVERNMENT.

GENERAL CRIMES PROGRAM

THE FBI DEVOTES CONSIDERABLE RESOURCES TO THE PERSONAL CRIMES, PROPERTY CRIMES, GENERAL GOVERNMENT CRIMES AND FUGITIVE PROGRAMS. THE OFTEN VIOLENT NATURE AND POTENTIAL THREAT TO LIFE AND PUBLIC SAFETY OF THE CRIMES IN THESE PROGRAMS, SUCH AS KIDNAPINGS, BANK ROBBERIES, TAMPERING WITH CONSUMER PRODUCTS AND DANGEROUS FUGITIVES, CAUSE THEM TO BE AFFORDED THE HIGHEST PRIORITY BY AN FBI OFFICE. THE FBI'S FULL RESOURCES ARE OFTEN EMPLOYED, INCLUDING OUR HOSTAGE RESCUE TEAM (HRT), SPECIAL

WEAPONS AND ASSAULT TEAMS (SWAT), HIGHLY TRAINED NEGOTIATORS, AND SOPHISTICATED SURVEILLANCE TECHNIQUES. EXAMPLES OF THE FBI'S UNIQUE CAPABILITIES AND PERFORMANCE IN THESE AREAS ARE MANY; HOWEVER, THE TACTICAL AND LOGISTICAL PLANNING AND THE OUTSTANDING PERFORMANCE OF OVER 600 FBI AGENTS DURING THE ATLANTA AND OAKDALE PRISON INSURRECTIONS IS A REMARKABLE EXAMPLE OF THE FBI'S ABILITY TO RESPOND TO A VIOLENT CRIME.

IN FISCAL YEAR 1987, WE INVESTIGATED OVER 700 KIDNAPING CASES. OTHER CRIMES OF VIOLENCE INVESTIGATED BY THE FBI INCLUDE SEXUAL EXPLOITATION OF CHILDREN, EXTORTION, AND TAMPERING WITH CONSUMER PRODUCTS. THE PERSONAL CRIMES PROGRAM IN THE LAST FISCAL YEAR, OBTAINED OVER 2,000 CONVICTIONS AND 1,700 INDICTMENTS. IN ADDITION, OVER 1,200 CONVICTIONS AND 800 ARRESTS WERE ACHIEVED WITH $96,000,000 IN RECOVERIES AS A RESULT OF OUR PROPERTY CRIMES PROGRAM.

DURING FY 1987, EIGHT TOP TEN FUGITIVES WERE ARRESTED. WE STAND READY THROUGH OUR FUGITIVE PROGRAM TO ASSIST STATE AND LOCAL AUTHORITIES IN THE APPREHENSION OF THOSE FELONS WHO FLEE TO AVOID PROSECUTION OR CONFINEMENT. IN THE LAST FISCAL YEAR THE FBI ARRESTED 745 SUCH FUGITIVES. THE FBI ALSO MADE 7,036 OTHER ARRESTS IN OUR OWN CASES. RECOGNIZING ITS HISTORY OF SUCCESS AND ENFORCEMENT EFFORTS, THE FBI WILL NOT RETREAT FROM ITS DEDICATION OF INVESTIGATIVE RESOURCES TO THESE PROGRAMS.

CIVIL RIGHTS

IN FY 1987, 47 FEDERAL CONVICTIONS WERE ACHIEVED IN CIVIL RIGHTS MATTERS. DURING THE CURRENT FISCAL YEAR SEVERAL

IMPORTANT INVESTIGATIONS WERE INITIATED OR CONCLUDED WHICH CONTRIBUTED TO 25 CONVICTIONS IN THE FIRST FOUR MONTHS. IN APRIL 1987, 4 MEMBERS OF THE ARYAN NATIONS WERE INDICTED IN DENVER, COLORADO FOR THE MURDER OF JEWISH TALK-SHOW HOST, ALAN BERG. TWO OF THE DEFENDANTS WERE SUBSEQUENTLY FOUND GUILTY AND SENTENCED TO TERMS OF 150 YEARS IN JAIL. IN SEPTEMBER 1987, TWO FORMER AGENTS OF THE UNITED STATES CUSTOMS SERVICE WERE CONVICTED FOR A 1982 MURDER OF A MONEY COURIER FOR THE $700,000 HE WAS CARRYING INTO THE SAN JUAN, PUERTO RICO INTERNATIONAL AIRPORT. BOTH HAVE BEEN SENTENCED TO PRISON TERMS OF 120 YEARS. INVESTIGATIONS WERE CONDUCTED OF THE RACIAL VIOLENCE AT HOWARD BEACH, NEW YORK, THE CITADEL, AND THE JANUARY, 1987 CIVIL RIGHTS MARCH IN FORSYTH COUNTY, GEORGIA. OUR AGGRESSIVE INVESTIGATIONS OF THE FORSYTH INCIDENT, WHICH INCLUDED INTERVIEWS OF MEMBERS OF WHITE HATE GROUPS, UNDOUBTEDLY CONTRIBUTED TO THE RELATIVELY PEACEFUL MARCH THE FOLLOWING WEEKEND IN WHICH SEVERAL THOUSAND PEOPLE PARTICIPATED INCLUDING MEMBERS OF CONGRESS.

EEO MATTERS

THERE ARE A NUMBER OF ISSUES WHICH HAVE COME TO LIGHT IN THE MEDIA SINCE I BECAME DIRECTOR OF THE FBI WHICH ARE OF INTEREST TO THE COMMITTEE. THE COMMITTEE HAS ALREADY EXPRESSED AN INTEREST IN LEARNING MORE ABOUT THE FBI'S POLICIES WITH RESPECT TO EQUAL EMPLOYMENT OPPORTUNITY MATTERS. AT THE PRESENT TIME SEVERAL PENDING CIVIL SUITS INVOLVE ALLEGATIONS OF DISCRIMINATION IN THE FBI WORKPLACE, INCLUDING A CLASS ACTION BROUGHT BY A HISPANIC MANAGEMENT OFFICIAL AND ANOTHER BY A BLACK

SPECIAL AGENT. WHILE I AM NOT AT LIBERTY TO DISCUSS THESE SPECIFIC CASES BECAUSE OF THEIR PENDENCY, IT IS UNFORTUNATE THAT SOME HAVE CHOSEN TO PREJUDGE US BEFORE THESE MATTERS HAVE BEEN AJUDICATED. I AM SENSITIVE TO THE PRINCIPLE THAT THE AGENCY RESPONSIBLE FOR ENFORCEMENT OF THE CIVIL RIGHTS LAWS MUST ITSELF BE AN EXAMPLE OF WHAT THE AMERICAN PUBLIC EXPECTS. TO ENSURE THIS, I HAVE DESIGNATED EXECUTIVE ASSISTANT DIRECTOR JOHN E. GLOVER TO OVERSEE A COMPLETE REVIEW OF EEO MATTERS WITHIN THE BUREAU AND I HAVE PERSONALLY BEGUN A NUMBER OF POSITIVE EEO INITIATIVES. THE BUREAU MUST EXEMPLIFY THE HIGHEST STANDARDS IN EEO AND RELATED MATTERS. A SINGLE ALLEGATION OF SEXUAL OR RACIAL HARASSMENT CAN DO EXTENSIVE DAMAGE TO THE CREDIBILITY OF THE FBI WHICH IS SO NECESSARY TO SECURING CITIZEN COOPERATION. NEITHER RACISM NOR DISCRIMINATORY CONDUCT WILL BE TOLERATED WITHIN THE BUREAU.

OFFICE OF LIAISON AND INTERNATIONAL AFFAIRS

THE IMAGE OF THE FBI AS A STRICTLY DOMESTIC AGENCY IS NO LONGER VALID. DRUG CARTELS, TERRORISTS ORGANIZATIONS, INTERNATIONAL ECONOMIC FRAUD AND ESPIONAGE ACTIVITIES PRESENT AN INTERNATIONAL CONCERN FOR THE VULNERABILITY OF OUR INSTITUTIONS, AND OUR CITIZENS. THE LEGISLATION ESTABLISHING EXTRATERRITORIAL JURISDICTION HAS PRESENTED NEW CHALLENGES FOR THE FBI. AT LAST YEAR'S HEARING, THEN DIRECTOR WILLIAM H. WEBSTER ADVISED YOU OF HIS PLANS TO ESTABLISH THE OFFICE OF LIAISON AND INTERNATIONAL AFFAIRS AS PART OF THE OFFICE OF THE EXECUTIVE ASSISTANT DIRECTOR FOR INVESTIGATIONS. THIS WAS ACCOMPLISHED IN 1987. THE OFFICE

WAS GIVEN RESPONSIBILITY FOR, AMONG OTHER THINGS, FOREIGN LIAISON, INCLUDING 15 LEGAL ATTACHE OFFICES LOCATED WORLDWIDE, INTERPOL REPRESENTATION, AND DOMESTIC COOPERATION WITH OTHER FEDERAL AGENCIES.

PERSONNEL ISSUES

SUCCESS IN OUR INVESTIGATIVE PROGRAMS IS PREDICATED UPON A DEDICATED COMPLEMENT OF SPECIAL AGENTS AND SUPPORT PERSONNEL. OUR SPECIAL AGENTS ARE OFTEN REQUIRED TO SERVE IN THIS NATION'S HIGHEST COST-OF-LIVING METROPOLITAN AREAS INCLUDING NEW YORK, WASHINGTON, D.C., AND LOS ANGELES. IN THE LAST YEAR ATTENTION HAS BEEN DIRECTED TO PROBLEMS CAUSED BY THE EXTREMELY HIGH COST OF LIVING IN NEW YORK AND ITS EFFECT ON FBI RECRUITMENT, RETENTION, AND OPERATIONS. RECOGNIZING THE EXTENT OF THE PROBLEM IN OUR NEW YORK OFFICE, IN 1987 CONGRESS MANDATED THAT THE FBI ALONG WITH THE OFFICE OF PERSONNEL MANAGEMENT JOINTLY STUDY THE SITUATION AND PROPOSE REMEDIES. THAT STUDY AND PROPOSED REMEDIES WERE COMPLETED AND FORWARDED TO CONGRESS ON MARCH 31, 1988.

DEVELOPMENT ISSUES

IN MAKING OUR REQUEST THIS YEAR I HOPE THAT YOU WILL RECOGNIZE THE CHALLENGES THE FUTURE WILL PRESENT TO THE FBI'S RESOURCE BASE AND PERSONNEL. THESE CHALLENGES WILL CERTAINLY BE IMPACTED BY CONGRESSIONAL EFFORTS TO EXPAND THE BUREAU'S INVESTIGATIVE RESPONSIBILITIES AND PARAMETERS. THE TREND IS CLEARLY TOWARDS EXPANSION. WHILE THE FBI MUST CONTINUE TO PURSUE

THE BANK ROBBERS, THE STOCK MANIPULATORS, THE TERRORISTS, AND THE DRUG TRAFFICKERS, AS CONGRESS PERCEIVES THE NEED FOR NEW LAW ENFORCEMENT RESPONSIBILITIES, THE FBI WILL BE THERE TO RESPOND. WHEN CONGRESS IS CONSIDERING EXPANSION OF THE RICO STATUTE OR RATIFICATION OF THE INF TREATY, THE FBI MUST BE PROVIDED THE REQUISITE RESOURCES IN TERMS OF PERSONNEL AND EQUIPMENT TO MEET THE EXPANDING CHALLENGES. NEW TECHNOLOGY AND IMPROVED EQUIPMENT WILL ALLOW US TO DO A MORE EFFECTIVE JOB WITHOUT AN ADDITIONAL INVESTMENT IN PERSONNEL. THIS REQUIRES CONTINUED RESEARCH AND DEVELOPMENT, AND THE REPLACEMENT OF OUTDATED AND UNRELIABLE EQUIPMENT.

I WOULD LIKE TO BRIEFLY DISCUSS SOME FBI DEVELOPMENTAL EFFORTS WHICH I CONSIDER ESPECIALLY NOTEWORTHY:

IN 1987, WE INITIATED CONSTRUCTION OF THE FIRST OF A FOUR-POD ENGINEERING RESEARCH FACILITY AT QUANTICO, VIRGINIA. COMPLETION OF THIS FACILITY IS ESSENTIAL TO ACHIEVING OUR LONG-RANGE STRATEGY FOR AN INTEGRATED, CONCEPT-TO-DEPLOYABLE-DEVICE CAPABILITY. SUPPORT IS NEEDED FOR COMPLETION OF THE REMAINING PODS. THIS STRUCTURE WILL INCORPORATE THE LATEST IN COMPUTER-AIDED ENGINEERING EQUIPMENT FOR USE BY THE FBI AND DEA. THE DAILY INTERCHANGE OF THESE PROFESSIONAL STAFFS WILL FOSTER A SYNERGISM AIDING THE TECHNICAL EFFORTS OF BOTH ORGANIZATIONS. THE MOST IMPORTANT PAYOFF TO OUR INVESTIGATOR WILL BE THE ABILITY TO MOVE FROM FUNCTIONAL REQUIREMENT TO DEPLOYABLE HARDWARD IN WEEKS OR A FEW MONTHS RATHER THAN THE EIGHTEEN OR MORE MONTHS IT NOW TAKES TO DESIGN, BUILD, AND TEST BY TRADITIONAL MEANS USING CONTRACTUAL SUPPORT. IMPORTANT SECONDARY BENEFITS INCLUDE

REDUCED COST -- BY AN AVERAGE OF ONE-HALF -- FOR DEVELOPMENT AND PRODUCTION OF LIMITED-QUANTITY, SPECIALIZED EQUIPMENT; GREATER ASSURANCE OF OPERATIONAL SUCCESS THROUGH MORE COMPREHENSIVE PRE-DEPLOYMENT TESTING; GREATER SECURITY THROUGH TOTAL IN-HOUSE CONTROL OF THE DEVELOPMENTAL EFFORT; AND ELEVATION OF OUR AND DEA EMPLOYEES' SKILL BASE AS THEY, NOT A CONTRACTOR, GAIN THE EXPERIENCE AND KNOWLEDGE WHICH COMES FROM HANDS-ON ENGINEERING.

IN OUR IDENTIFICATION DIVISION'S PROGRAM, WE HAVE RECOGNIZED MAJOR AREAS OF PRODUCTIVITY IMPROVEMENT IN THE PROCESSING OF FINGERPRINT CARDS. WE HAVE ALMOST COMPLETED DEVELOPMENT OF THE FINAL PHASE OF THE AUTOMATED IDENTIFICATION SYSTEM. THIS SYSTEM WILL ALLOW FOR INCREASES IN PRODUCTIVITY WHILE REDUCING THE PROCESSING TIME FROM ABOUT 12 WORKDAYS TO ONE WORKDAY. HOWEVER, FUNDING IS REQUIRED TO PURCHASE ADDITIONAL PROCESSING EQUIPMENT AS REQUIRED BY THE NEW SYSTEM. THE FASTER RESPONSE TIME WILL SIGNIFICANTLY IMPROVE THE CRIMINAL JUSTICE COMMUNITY'S ABILITY TO FUNCTION, WHILE ALSO PREVENTING PRODUCTIVITY LOSSES BY GOVERNMENT AGENCIES IN THE PROCESSING OF SECURITY CLEARANCE CHECKS.

OUR LABORATORY DIVISION OPERATES THE FORENSIC SCIENCE RESEARCH AND TRAINING CENTER AND IS ENGAGED IN RESEARCH EFFORTS DESIGNED TO IMPROVE SCIENTIFIC AND TECHNICAL SUPPORT TO ONGOING INVESTIGATIONS. ONE INTENSIVE RESEARCH EFFORT INVOLVES THE FORENSIC ANALYSIS OF DNA. DNA IS THE GENETIC MATERIAL CONTAINED IN LIVING CELLS. IT OFFERS THE PROMISE OF THE POSITIVE PERSONAL IDENTIFICATION OF AN INDIVIDUAL BASED ON THE ANALYSIS OF A SINGLE HAIR OR SINGLE DROP OF BLOOD, AND REPRESENTS PERHAPS THE MOST

SIGNIFICANT FORENSIC BREAKTHROUGH OF THE CENTURY IN ITS ABILITY TO IDENTIFY A RAPIST OR MURDERER BASED ON BIOLOGICAL EVIDENCE LEFT AT THE SCENE OF THE CRIME.

WE HAVE AN AGGRESSIVE RESEARCH PROGRAM TO DEVELOP THIS TECHNOLOGY FOR EVENTUAL IMPLEMENTATION BY STATE AND LOCAL AGENCY CRIME LABORATORIES, AS WELL AS THE FBI LABORATORY. IN ADDITION TO METHODS DEVELOPMENT, THE FBI RESEARCH EFFORT IS DIRECTED AT ESTABLISHING THE VALIDITY AND RELIABILITY OF THESE METHODS TO ENSURE THAT EVIDENCE DERIVED THROUGH DNA TESTING CAN WITHSTAND ANY LEGAL CHALLENGE TO ITS INTRODUCTION IN THE COURTS. IT IS CONCEIVABLE THAT BY THE END OF THIS FISCAL YEAR WE WILL BE IN A POSITION TO IMPLEMENT THE FIRST DNA TEST METHODS IN THE FBI LABORATORY AND BEGIN A CONCENTRATED TRAINING EFFORT FOR FORENSIC PRACTITIONERS FROM STATE AND LOCAL CRIME LABORATORIES THROUGHOUT THE UNITED STATES.

AUTHORIZATION REQUEST

WITH THESE NEEDS IN MIND, MR. CHAIRMAN, FOR FY 1989 THE FBI IS REQUESTING A TOTAL OF $1,503,307,000; 22,988 POSITIONS; AND 22,044 DIRECT WORKYEARS. THIS REPRESENTS A NET INCREASE OVER THE 1988 BASE OF $92,047,000; 532 PERMANENT POSITIONS AND 71 DIRECT WORKYEARS. THESE RESOURCES ARE ESSENTIAL FOR THE UNIMPAIRED MAINTENANCE OF OUR CONSIDERABLE INVESTIGATIVE AND SUPPORT FUNCTIONS AND TO ALLOW US TO MEET OUR EXPANDING RESPONSIBILITIES. RECOGNIZING THAT THE CHALLENGE CANNOT BE MET BY MANPOWER ALONE, THE BUREAU HAS IDENTIFIED A NUMBER OF SYSTEMS AND EQUIPMENT NEEDS WHICH WILL REQUIRE FUNDING IN FY 1989. AS

AN EXAMPLE WE ARE ASKING FOR $6,500,000 FOR EXPERT SYSTEMS DEVELOPMENT. THIS APPLICATION OF ARTIFICIAL INTELLIGENCE TECHNOLOGY WILL HELP TO PRESERVE THE UNTOLD YEARS OF EXPERIENCE AND KNOWLEDGE OF OUR VETERAN AGENTS FOR THE BENEFIT OF OUR YOUNGER INEXPERIENCED AGENTS. IN ADDITION, $6,380,000 IS REQUIRED TO CONTINUE THE AUTOMATED IDENTIFICATION SYSTEM, WHICH IS PROVIDING IMPRESSIVE PRODUCTIVITY PREMIUMS IN THE PROCESSING OF FINGERPRINT CARDS.

THIS CONCLUDES MY PREPARED REMARKS I WILL BE HAPPY TO RESPOND TO ANY QUESTIONS WHICH YOU MAY HAVE.

Senator LEAHY. We stand in recess.
[Whereupon, at 12:28 p.m., the committee was adjourned.]

APPENDIX

Opening Statement of William S. Sessions Before an Open Session of the Subcommittee on Civil and Constitutional Rights

Mr. Chairman and members of the subcommittee: I am pleased to appear before you at this annual authorization and oversight hearing for the Federal Bureau of Investigation. This is my first appearance before you since being sworn in as the Director of the FBI in November 1987. I was honored and gratified to be entrusted with this responsibility and the challenges that it represents. Since becoming director of the FBI, I have had the opportunity and obligation to study the Bureau and its mission. While I admire the FBI's past accomplishments and its illustrious history, I realize that to remain the most effective law enforcement agency in the world the FBI must continue to adapt to the challenges of an ever changing world and take appropriate actions to increase our effectiveness under the laws of the United States and the Constitution.

My opening remarks will concern the FBI's accomplishments during the past year, our future needs, and some of the progressive measures which we are taking to increase our effectiveness under current fiscal restraints.

As in the past, the FBI has invested the majority of our allocated resources in the investigative areas which we have designed as our national priority programs. These are organized crime, drug enforcement, counterterrorism, white collar crime, and foreign counterintelligence. I believe that investment of resources has brought significant returns for the FBI and the American people.

In 1987, FBI investigative efforts in the organized crime area result in the filing of 696 indictments and 64 informations. We obtained 679 convictions and pretrial diversions. These numbers alone do not adequately describe the effect the FBI has had on the La Cosa Nostra, also referred to as the LCN, and other organized criminal groups operating in the United States today. Our goal continues to be the elimination of the adverse effects that organized criminal groups exert over our society. These groups primarily the La Cosa Nostra, rely on the use of violence, threats of violence corruption of public officials, graft and extortion to reap enormous illegal profits.

In 1987, FBI investigative efforts in the organized crime area resulted in the filing known as the "LCN Commission Case," seven of the eight defendants were each sentenced to 100 years incarceration. Since 1981, 14 LCN bosses, 10 underbosses, 3 consiglieries, and 32 capodecinas from 20 different families throughout the country have been convicted.

In order to sustain the momentum, we formulated and recently initiated an organized crime national strategy. The strategy is designed to utilize both the criminal and civil provisions of the Rico statute to focus available resources on the criminal enterprise as a whole, as opposed to addressing individual members committing specific criminal acts. This approach results not only in convictions and significant periods of incarceration, but also facilitates the seizure of assets accumulated by the enterprise through its illegal activities. Civil sanctions have also proven to be an effective means of removing LCN influence from organized labor unions, one of their major power bases.

Drug trafficking remains one of the most critical and devastating crime problems facing the United States today. From a very limited involvement prior to 1982, the FBI effort in drug enforcement has evolved into a significant commitment of resources focused at the highest level of the drug trafficking organizations.

We have completed a year and a half of the implementation of our national drug strategy and a dramatic overall increase in the quality of FBI drug investigations I believe has become apparent. FBI investigative efforts are focused on major drug trafficking groups largely responsible for supplying illegal drug markets in the United States. Significant results have been achieved and are expected in the future by conducting long-term, sustained, multi-jurisdictional investigations using sophisticated investigative techniques against these drug trafficking organizations.

During fiscal year (FY) 1987 the FBI drug program investigations resulted in over 3,400 indictments, 2,800 convictions, $72.7 million in seizures and $32 million in forfeited assets. We are proud of these accomplishments we have achieved in this area but at the same time recognize that there is much more that needs to be done. The FBI will continue to pursue the profits of the drug organizations by aggressively incorporating seizures and forfeiture actions where applicable in our investigations.

Terrorism and the fear it causes creates new challenges for the FBI. Protecting our citizens, while preserving freedoms, requires effective law enforcement stratety in this difficult and sensitive investigative area. Recognizing terrorism as a criminal

rather than political problem is the foundation upon which our counterterrorism program is based. This approach has been I think extremely successful. Between 1980 and 1982 there were 122 terrorist incidents in the United States with 51 occurring in 1982 alone. From that point, the numbers generally declined—to 31 in 1983, 13 in 1984, and 7 in 1985. Thereafter, during 1986 we recorded 17 incidents, 9 of which were bombings or attempted bombings in Puerto Rico. Seven have been documented in 1987 and none in 1988. Additionally, we have not had the Commission of a terrorist incident in this country by a member of an international terrorist organization since 1983, despite highly publicized events such as the summer Olympics in Los Angeles.

It is my belief that our counterterrorism program is based on a solid foundation in conformance with both the spirit and the letter of the law. The FBI is the lead Federal law enforcement agency in the fight to counter terrorism and as such is responsible for preventing, interdicting and investigating the criminal activities of domestic and international terrorist groups and individuals. Over the past several years, the arrest, prosecution and incarceration of the key leadership elements of various terrorist organizations have contributed to a general decline in the number of terrrist incidents committed in the United States. However, it should not be inferred that the threat of terrorism in the United States has been eliminated. The potential for significant terrorist violence against Americans at the hands of both foreign and domestic groups continues to be quite real both home and abroad.

Since 1985, the FBI has conducted investigations of 10 terrorist incidents committee outside our borders. These were based on the act against hostage taking enacted as a result of the Comprehensive Crime Control Act of 1984, and the Omnibus Diplomatic Security and Anti-terrorism Act of 1986, which includes a prohibition on certain terrorist acts committed against United States Nationals outside the United States. Additionally we have conducted an investigation into the abduction of 17 Americans in Lebanon. These investigations require a tremendous amount of headquarters coordination and the travel of our special agents to Europe and the Middle East to collect evidence and to conduct interviews. Those who contemplate terrorist activities should be forewarned that the FBI will continue to dedicate the resources which are necessary to deter terrorist acts in the United States and against United States citizens abroad.

The white-collar crime program has three major investigative priorities: Government fraud, public corruption, and financial crimes. In fiscal year 1987, 4,500 individuals were convicted or entered pre-trial diversion programs as a result of the efforts expended in this program.

Fraud against the Government is a top investigative priority of the FBI's white-collar crime program. Of primary concern are Department of Defense procurement frauds, health care provider frauds, and environmental crimes. In 1987, notable successes against Government fraud were achieved in each of these areas. The investigation of false Medicare/Medicaid billings at Unarex of Michigan concluded with 65 convictions plus the forfeiture of 29 pharmacies and $3 million cash to the Federal Government; and the investigation of Protex Industries resulted in the first successful Federal prosecution under the "knowing endangerment" portion of the Resource Conservation Recovery Act. Meanwhile, significant fraud investigations continue in these and other areas of Federal funding.

The record numbers of failed federally insured financial institutions in the United States have contributed to a dramatically increasing workload of bank fraud and embezzelment investigations. Emphasis continues to be placed on the investigation and prosecution of owners, officers and directors of financial institutions whose fraudulent acts contribute to the failure of one or more institutions. A major task force effort has been initiated in Dallas, Texas, to address alleged widespread fraud in the Texas savings and loan industry. FBI offices in the Midwest and Southwest regions are involved in significant bank failure investigations due to the nature and severity of bank failure problems in those areas.

During fiscal year 1987, investigations within our white-collar crime program produced 317 convictions in public corruption related matters. These included criminal breeches of public trust by Federal, State, and local officials at all levels of government. In close coordination with the Department of Justice, the FBI will continue to address serious offenses in this area and significantly impact upon the current crime problems. In anticipation of the general election in November, we have earmarked additional resources to address election-related criminal violations which strike at the integrity of our system of Government.

Now in the area of foreign counterintelligence our responsibility continues to be the identification of foreign intelligence officers and their agents operating in the United States and to prevent these officers and agents from being successful in their

efforts to steal our secrets, in particular, those in the military and technological areas. The FBI's mission in this area is, of course, a difficult one, but I believe we are succeeding. Of course publicized successes are only a small part of the picture.

Although the foreign counterintelligence program has enjoyed a significant increase in resources over the last five years, these increases ceased in fiscal year 1988, when the program was reduced in line with budget cuts affecting all of our activities. This reduction came at an especially unfortunate time since our responsibilities have also grown significantly over the years and continue to grow. For example we are experiencing large increases in the presence of Soviet and Soviet bloc individuals as relations improve in some areas between our societies. Improvements in relations with many countries have not been accompanied by any decrease in their intelligence efforts and the increased travel in both directions has offered them more opportunities and compounded the difficulties of the U.S. counterintelligence efforts. The fact that since 1984, 28 individuals have been arrested for espionage and espionage-related charges and a number of other publicized and unpublicized interdictions of foreign intelligence operations in the United States have occurred attests to both the increased activity and the improvements in our counterintelligence capabilities.

During 1987, efforts of the FBI have contributed to the arrest of several individuals for technology transfer-related offenses. We actively assist the agencies who have the primary jurisdiction in such matters. In addition, we have a very active "development of counterintelligence awareness" (DECA) program in which over the past year we have contacted approximately 7,000 secret and top secret U.S. Government contractors to increase their awareness of the nature of the hostile intelligence service threat.

We continue to monitor, identify, and expose the active measures operations conducted by Soviet and Soviet bloc intelligence services in the United States. The term "active measures" is a literal translation of a phrase that is used by the Soviets to describe covert or deceptive intelligence operations designed to advance Soviet foreign policy objectives and discredit the United States. In an effort to increase public awareness, the FBI prepared an unclassified report on Soviet active measures which was made part of the Congressional Record on December 9, 1987.

The FBI is directly involved at the street level in attacking personal violent and property crimes and locating fugitives through its general crimes programs.

During the last fiscal year, we investigated over 700 new kidnaping cases, many of which resulted in the safe return of loved ones to their families. Other crimes of violence investigated by the FBI include sexual exploitation of children, extortion, tampering with consumer products, and bank robbery. All of these violent crimes are investigated under our personal crimes program. In our efforts in this program during the last fiscal year resulted in 2,054 convictions and 1,786 indictments.

Over 1,200 convictions and 800 arrests were achieved and over $96 million in recoveries were made as a result of our property crimes program. Through our fugitive program, the FBI assists State and local authorities in apprehending those felons who flee to avoid prosecution or confinement. Typically, these people are sought under Federal warrants for unlawful flight to avoid prosecution for murder, rape, armed robbery, burglary or narcotics violations. In the last fiscal year, the FBI arrested 745 such fugitives. In addition, the FBI made 7,036 other arrests in our own cases. During fiscal year 1987, eight top ten fugitives were arrested and brought to justice. We will continue our strong commitment to our investigations involving personal crimes, fugitives and property crimes.

In fiscal year 1987, the Civil Rights Program continued to achieve notable successes. A total of 47 Federal convictions were achieved in civil rights matters during the year and several important investigations were initiated or concluded which have contributed to 29 convictions in the first four months of fiscal year 1988. On April 24, 1987, four members of the Aryan nations were indicted in Denver, Colorado, for the murder of Alan Berg, a Jewish radio talk show host who frequently aired his opposition to the Aryan nations organization. Two of the defendants were subsequently found guilty and sentenced to terms of 150 years in jail. On September 15, 1987, two former agents of the United States Customs Service were convicted of the 1982 murder of a money carrier for the $700,000 he was carrying into the San Juan, Puerto Rico International Airport. Both have been sentenced to prison terms of 120 years. Active investigations were conducted of the racial violence at Howard Beach, New York; the Citadel Military Academy; and a civil rights march in Forsythe County, Georgia in January of 1987. Aggressive investigation of the Forsythe incident which included interviews with members of white hate groups, was credited by some authorities as contributing to the relatively peaceful march the following

weekend in which an estimated 100,000 people participated, including Members of Congress and the Senate.

Mr. Chairman, over the past six years, the FBI's involvement in international police matters has increased substantially. The change in our role has been brought about primarily as a result of the granting of jurisdiction to the FBI in drug cases and legislation establishing extraterritorial jurisdiction in terrorism matters. Prior to 1982, our role was limited to providing investigative assistance to foreign police agencies, to seeking foreign assistance in some organized crime and white-collar crime cases and to training foreign police officials through the national academy and other training programs.

In recognition of our increased responsibilities, the Office of Liaison and International Affairs as part of the Office of the Executive Assistant Director for Investigations was established. During 1987, this newly created office made progress in centralizing our foreign and domestic liaison efforts. This office is responsible for foreign liaison which includes our legal attache program headquartered in 14 countries worldwide, Interpol representation, and domestic cooperation with other Federal agencies, such as the Department of State, and Department of Defense.

Our international responsibilities continue to grow, particularly in organized crime, white-collar crime, counterterrorism, drugs and foreign counterintelligence investigative matters. The Office of Liaison and International Affairs is responsible for coordinating our expanding efforts overseas. The FBI is working hard to carry out this responsibility in the international area in a manner that is consistent with our tradition of excellence in law enforcement.

Mr. Chairman, for fiscal year 1989, we are requesting a total of $1,503,307,000; 22,988 positions; and 22,044 direct workyears. This represents a net increase, over the 1989 base, of $92,047,000; 532 permanent positions; and 71 direct workyears. These resources I believe are essential for the unimpaired maintenance of our considerable investigative and support functions and to allow some growth in areas where fully justified.

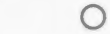
I would like to conclude by briefly mentioning those major areas where we believe program growth is justified for fiscal year 1989. A dramatic expansion of workload in the white-collar crime program requires increased resources totaling 119 agent and 130 support positions and $10,735,000. Growth in white-collar crime workload is most prominent in the areas of Department of Defense procurement fraud, bank fraud and embezzlement, public corruption and election law matters, and toxic waste fraud investigations. We have also identified a need for 6 agent and 58 support positions and $4,590,000 for organized crime programs. These resources will directly sustain an existing agent complement in a wide range of functions, including the function of the legal attaches. A total of 79 support positions and $3,605,000 are similarly required to support agents investigating drug matters. The organized crime and drug program resources are absolutely critical for assuring optimum effectiveness of agents in these programs. We are again requesting additional personnel and funds to add some substantial new challenges to our foreign counterintelligence capabilities.

There are two projects I especially want to emphasize because they represent significant FBI commitments to the efforts for improving productivity in Government. We are asking for $6,500,000 for expert systems development. This application of artificial intelligence technology will help to preserve untold years of experience and knowledge of our veteran agents for the benefit of our younger inexperienced agents. It will support the FBI's efforts in foreign counterintelligence, narcotics interdiction, organized crime and labor racketeering, counterterrorism, crime scene analysis, and other areas. In addition, $6,380,000 is requested to continue the automated identification system, which is providing impressive productivity premiums in the processing of fingerprint cards.

Finally, there are two issues which I feel compelled to mention because of the interest expressed by the subcommittee. These are the FBI's CISPES investgation and the Donald Rochon Equal Employment Opportunity [EEO] matter. Both of these have, of course, received national media attention and both are very sensitive issues of concern not only to the FBI but, to Congress and the American public as well. I am personally aware of the move of various allegations raised in a number of forums about each matter and have taken steps to ensure that I will be fully and completely informed as to the precise circumstances of each.

I have established an independent group of inspectors and investigators and charged them with the responsibility of examining every aspect of the CISPES investigation. This group reports directly to me. I am fully confident that upon completion of their review I will be in a position not only to make a full reporting to the Congress but also to take a well-reasoned approach to assessing whether any

changes in the FBI's investigative procedures are indicated as a result of the final report of this group.

In the case of Donald Rochon, I have designated Executive Assistant Director John D. Glover, to oversee a complete review of EEO matters within the FBI. He will report directly to me concerning not only the Rochon matter but also other aspects of our EEO Program including training, handling of EEO complaints, hiring and promotion policy. In both cases, I can assure this subcommittee that once these processes have been completed, I will make a full reporting to Congress and will move swiftly and with certainty to ensure that the FBI continues to operate as the American public has a right to expect.

This concludes my prepared remarks. I will be happy to respond to any questions which you may have.